

Sixty-fourth
Legislative Assembly
of North Dakota

REENGROSSED SENATE BILL NO. 2031

Introduced by

Legislative Management

(Education Funding Committee)

1 A BILL for an Act to amend and reenact sections 15-39.1-28, 15.1-06-04, 15.1-09-47,
2 15.1-09-48, 15.1-27-03.1, 15.1-27-03.2, 15.1-27-04.1, 15.1-27-04.2, 15.1-27-35.3, 15.1-27-45,
3 15.1-30-04, 15.1-36-02, 40-55-08, 40-55-09, 57-15-01.1, 57-15-14, 57-15-14.2, 57-15-17,
4 57-15-31, 57-19-01, 57-19-02, and 57-19-09 of the North Dakota Century Code, relating to the
5 determination of state aid payable to school districts; to repeal sections 15.1-27-04,
6 15.1-27-07.2, 15.1-27-11, 15.1-27-22.1, 15.1-27-42, 15.1-27-43, 15.1-27-44, 15.1-32-20,
7 57-15-14.4, 57-15-14.5, 57-15-17.1, and 57-19-04 and chapter 57-64 of the North Dakota
8 Century Code, relating to the determination of state aid payable to school districts, school
9 district levies, and mill levy reduction grants; to provide for a study; to provide grants; to provide
10 exemptions; to provide for contingent funding; to provide an expiration date; and to declare an
11 emergency.

12 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

13 **SECTION 1. AMENDMENT.** Section 15-39.1-28 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **15-39.1-28. (~~Effective for the first two taxable years beginning after December 31,~~**
16 **~~2012~~) Tax levy for teachers' retirement.**

17 Any school district by a resolution of its school board may use the proceeds of levies, as
18 permitted by section 57-15-14.2, for the purposes of meeting the district's contribution to the
19 fund arising under this chapter and to provide the district's share, if any, of contribution to the
20 fund for contracted employees of either a multidistrict special education board or another school
21 district where the contracted employees are also providing services to the taxing school district.

22 **~~(Effective after the first two taxable years beginning after December 31, 2012) Tax~~**
23 **levy for teachers' retirement.** Any school district by a resolution of its school board may levy a
24 tax pursuant to subdivision b of subsection 1 of section 57-15-14.2, the proceeds to be used for

1 ~~the purposes of meeting the district's contribution to the fund arising under this chapter and to~~
2 ~~provide the district's share, if any, of contribution to the fund for contracted employees of either~~
3 ~~a multidistrict special education board or another school district where the contracted~~
4 ~~employees are also providing services to the taxing school district.~~

5 **SECTION 2. AMENDMENT.** Section 15.1-06-04 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15.1-06-04. School calendar - Length.**

8 1. ~~During the 2009-10 school year, a school district shall provide for a school calendar of~~
9 ~~at least one hundred eighty days.~~

10 a. ~~One hundred seventy three days must be used for instruction;~~

11 b. ~~Three days must be used for holidays, as selected by the school board in~~
12 ~~consultation with district teachers from the list provided for in subdivisions b-~~
13 ~~through j of subsection 1 of section 15.1-06-02;~~

14 e. ~~Up to two days must be used for:~~

15 (1) ~~Parent teacher conferences; or~~

16 (2) ~~Compensatory time for parent teacher conferences held outside regular~~
17 ~~school hours; and~~

18 d. ~~Two days must be used for professional development.~~

19 2. ~~During the 2010-11 school year, a school district shall provide for a school calendar of~~
20 ~~at least one hundred eighty one days.~~

21 a. ~~One hundred seventy four days must be used for instruction;~~

22 b. ~~Three days must be used for holidays, as selected by the board in consultation~~
23 ~~with district teachers from the list provided for in subdivisions b through j of~~
24 ~~subsection 1 of section 15.1-06-02;~~

25 e. ~~Up to two days must be used for:~~

26 (1) ~~Parent teacher conferences; or~~

27 (2) ~~Compensatory time for parent teacher conferences held outside of regular~~
28 ~~school hours; and~~

29 d. ~~Two days must be used for professional development.~~

30 3. ~~Beginning with the 2011-12 school year, a~~

- 1 1. A school district shall provide for a school calendar of ~~at least one hundred eighty-two~~
2 ~~days that includes:~~
- 3 a. ~~One~~ At least one hundred seventy-five days ~~must be used for~~ of instruction;
4 b. ~~Three days must be used for~~ holidays, as selected by the board in consultation
5 with district teachers from the list provided for in subdivisions b through j of
6 subsection 1 of section 15.1-06-02;
- 7 c. ~~Up to~~ No more than two days ~~must be used~~ for:
8 (1) Parent-teacher conferences; or
9 (2) Compensatory time for parent-teacher conferences held outside of regular
10 school hours; and
- 11 d. (1) ~~Two days must be used for~~ At least two days of professional development
12 during the 2015-16 school year; and
13 (2) At least three days of professional development, beginning with the 2016-17
14 school year.
- 15 4-2. a. A day ~~for~~ of professional development must consist of:
- 16 a. (1) Six hours of professional development, exclusive of meals and other breaks,
17 conducted within a single day; or
- 18 b. (2) Two four-hour periods of professional development, exclusive of meals and
19 other breaks, conducted over two days.
- 20 5. b. If a school district offers a four-hour period of professional development, as
21 permitted in ~~subdivision b of~~ this subsection-4, the school district may schedule
22 instruction during other available hours on that same day and be credited with
23 providing one-half day of instruction to students. This ~~subsection~~ subdivision does
24 not apply unless the one-half day of instruction equals at least one-half of the
25 time required for a full day of instruction, as defined in this section.
- 26 6. a. ~~In meeting the requirements for two days of professional development under this~~
27 ~~section, a school district may require that its teachers attend the North Dakota~~
28 ~~education association instructional conference and may pay teachers for~~
29 ~~attending the conference, provided their attendance is verified.~~
- 30 b. ~~In meeting the requirements for two days of professional development under this~~
31 ~~section, a school district may consider attendance at the North Dakota education~~

- 1 ~~association instructional conference to be optional, elect not to pay teachers for~~
2 ~~attending the instructional conference, and instead direct any resulting savings~~
3 ~~toward providing alternate professional development opportunities.~~
- 4 e. ~~A school district may not require the attendance of teachers in school or at any~~
5 ~~school-sponsored, school-directed, school-sanctioned, or school-related activities~~
6 ~~and may not schedule classroom instruction time nor alternate professional~~
7 ~~development activities on any day that conflicts with the North Dakota education~~
8 ~~association instructional conference.~~
- 9 7. ~~Beginning with the 2010-11 school year, if a school district elects to provide an~~
10 ~~optional third day of professional development, the school district shall do so by:~~
- 11 a. ~~Meeting the requirements for a day of professional development as set forth in~~
12 ~~subsection 4; or~~
- 13 b. ~~Shortening four instructional days, for the purpose of providing for two-hour~~
14 ~~periods of professional development, provided:~~
- 15 (1) ~~Each instructional day on which such professional development occurs~~
16 ~~includes at least four hours of instruction for kindergarten and elementary~~
17 ~~students and four and one-half hours for high school students;~~
- 18 (2) ~~The instructional time for each course normally scheduled on that day is~~
19 ~~reduced proportionately or the daily schedule is reconfigured to ensure that~~
20 ~~the same course is not subject to early dismissal more than one time per~~
21 ~~school calendar, as a result of this subdivision; and~~
- 22 (3) ~~All teachers having a class dismissed as a result of this subdivision are~~
23 ~~required to be in attendance and participate in the professional~~
24 ~~development.~~
- 25 8. a. ~~If a school's calendar provides for an extension of each schoolday beyond the~~
26 ~~statutorily required minimum number of hours, and if the extensions when~~
27 ~~aggregated over an entire school year amount to more than eighty-four hours of~~
28 ~~additional classroom instruction during the school year, the school is exempt from~~
29 ~~having to make up six hours of instruction time lost as a result of weather-related~~
30 ~~closure. In order to make up lost classroom instruction time beyond the six hours,~~
31 ~~the school must extend its normal school calendar day by at least thirty minutes.~~

1 b. ~~A school that does not qualify under the provisions of this subsection must extend~~
2 ~~its normal schoolday by at least thirty minutes to make up classroom instruction~~
3 ~~time lost as a result of weather-related closure.~~

4 ~~e.3.~~ If because of weather a school must dismiss before completing a full day of
5 instruction, the school is responsible for making up only those hours and portions of an
6 hour between the time of early dismissal and the conclusion of a full day of classroom
7 instruction.

8 ~~9.4.~~ For purposes of this section, a full day of instruction consists of:

9 a. At least five and one-half hours for kindergarten and elementary students, during
10 which time the students are required to be in attendance for the purpose of
11 receiving curricular instruction; and

12 b. At least six hours for high school students, during which time the students are
13 required to be in attendance for the purpose of receiving curricular instruction.

14 **SECTION 3. AMENDMENT.** Section 15.1-09-47 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15.1-09-47. ~~(Effective for the first two taxable years beginning after December 31,~~**
17 **~~2012) Board of education of city of Fargo - Taxing authority.~~**

18 The board of education of the city of Fargo may levy taxes within the requirements or
19 limitations of this title and title 57.

20 **~~(Effective after the first two taxable years beginning after December 31, 2012) Board~~**
21 **~~of education of city of Fargo -- Taxing authority.~~**

22 ~~1. The board of education of the city of Fargo may levy taxes, as necessary for any of the~~
23 ~~following purposes:~~

24 ~~a. To purchase, exchange, lease, or improve sites for schools.~~

25 ~~b. To build, purchase, lease, enlarge, alter, improve, and repair schools and their~~
26 ~~appurtenances.~~

27 ~~c. To procure, exchange, improve, and repair school apparatus, books, furniture, and~~
28 ~~appendages, but not the furnishing of textbooks to any student whose parent is~~
29 ~~unable to furnish the same.~~

30 ~~d. To provide fuel.~~

- 1 e. To defray the contingent expenses of the board, including the compensation of
2 employees.
- 3 f. To pay teacher salaries after the application of public moneys, which may by law
4 be appropriated and provided for that purpose.
- 5 2. The question of authorizing or discontinuing the unlimited taxing authority of the board
6 of education of the city of Fargo must be submitted to the qualified electors of the
7 Fargo school district at the next regular election upon resolution of the board of
8 education or upon filing with the board a petition containing the signatures of qualified
9 electors of the district equal in number to twenty percent of the individuals enumerated
10 in the most recent school district census. However, if the electors approve a
11 discontinuation of the unlimited taxing authority, their approval of the discontinuation
12 may not affect the tax levy effective for the calendar year in which the election is held.
13 In addition, the minimum levy may not be less than the levy that was in force at the
14 time of the election. The board may increase its levy in accordance with section
15 57-15-01. If the district experiences growing enrollment, the board may increase the
16 levy by an amount equal to the amount levied the preceding year per student times the
17 number of additional students enrolled during the new year.

18 **SECTION 4. AMENDMENT.** Section 15.1-09-48 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **15.1-09-48. (Effective for the first two taxable years beginning after December 31,
21 2012) Board of education of city of Fargo - Tax collection.**

- 22 1. The board of education of the city of Fargo may levy taxes within the boundaries of the
23 Fargo public school district and cause the taxes to be collected in the same manner as
24 other city taxes, provided the taxes meet the requirements or limitations of this title
25 and title 57. The business manager of the board of education shall certify the rate for
26 each purpose to the city auditor in time to be added to the annual tax list of the city.
- 27 2. The city auditor shall calculate and extend upon the annual assessment roll and tax
28 list any tax levied by the board of education. The tax must be collected in the same
29 manner as other city taxes.
- 30 3. If the city council fails to levy any tax for city purposes or fails to cause an assessment
31 roll or tax list to be made, the board of education may make an assessment roll and

1 tax list and submit the roll to the city auditor with a warrant for the collection of the tax.

2 The board of education may cause the tax to be collected in the same manner as

3 other city taxes are collected or as otherwise provided by resolution of the board.

4 ~~**(Effective after the first two taxable years beginning after December 31, 2012) Board**~~
5 ~~**of education of city of Fargo – Tax collection.**~~ The board of education of the city of Fargo has
6 the power to levy taxes within the boundaries of the Fargo public school district and to cause
7 such taxes to be collected in the same manner as other city taxes. The board of education shall
8 cause the rate for each purpose to be certified by the business manager to the city auditor in
9 time to be added to the annual tax list of the city. It is the duty of the city auditor to calculate and
10 extend upon the annual assessment roll and tax list any tax levied by the board of education.
11 The tax must be collected as other city taxes are collected. If the city council fails to levy any tax
12 for city purposes or fails to cause an assessment roll or tax list to be made, the board of
13 education may cause an assessment roll and tax list to be made and submit the roll to the city
14 auditor with a warrant for the collection of the tax. The board of education may cause the tax to
15 be collected in the same manner as other city taxes are collected or as otherwise provided by
16 resolution of the board.

17 **SECTION 5. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 ~~**15.1-27-03.1. (Effective July 1, 2013, through June 30, 2015) Weighted average daily**~~
20 ~~**membership – Determination.**~~

21 4. For each school district, the superintendent of public instruction shall multiply by:

22 a. 1.00 the number of full-time equivalent students enrolled in a migrant summer
23 program;

24 b. 1.00 the number of full-time equivalent students enrolled in an extended
25 educational program in accordance with section 15.1-32-17;

26 c. 0.60 the number of full-time equivalent students enrolled in a summer education
27 program;

28 d. 0.20 the number of full-time equivalent students enrolled in a home-based
29 education program and monitored by the school district under chapter 15.1-23;

30 e. 0.30 the number of full-time equivalent students who:

- 1 (1) ~~On a test of English language proficiency approved by the superintendent of~~
2 ~~public instruction are determined to be least proficient and placed in the first~~
3 ~~of six categories of proficiency; and~~
- 4 (2) ~~Are enrolled in a program of instruction for English language learners;~~
- 5 f. ~~0.25 the number of full-time equivalent students enrolled in an alternative high~~
6 ~~school;~~
- 7 g. ~~0.20 the number of full-time equivalent students attending school in a bordering~~
8 ~~state in accordance with section 15.1-29-01;~~
- 9 h. ~~0.20 the number of full-time equivalent students who:~~
- 10 (1) ~~On a test of English language proficiency approved by the superintendent of~~
11 ~~public instruction are determined to be more proficient than students placed~~
12 ~~in the first of six categories of proficiency and therefore placed in the second~~
13 ~~of six categories of proficiency; and~~
- 14 (2) ~~Are enrolled in a program of instruction for English language learners;~~
- 15 i. ~~0.17 the number of full-time equivalent students enrolled in an early childhood~~
16 ~~special education program;~~
- 17 j. ~~0.15 the number of full-time equivalent students in grades six through eight~~
18 ~~enrolled in an alternative education program for at least an average of fifteen~~
19 ~~hours per week;~~
- 20 k. ~~0.10 the number of students enrolled in average daily membership, if the district~~
21 ~~has fewer than one hundred students enrolled in average daily membership and~~
22 ~~the district consists of an area greater than two hundred seventy-five square~~
23 ~~miles [19424.9 hectares], provided that any school district consisting of an area~~
24 ~~greater than six hundred square miles [155399 hectares] and enrolling fewer than~~
25 ~~fifty students in average daily membership must be deemed to have an~~
26 ~~enrollment equal to fifty students in average daily membership;~~
- 27 l. ~~0.082 the number of students enrolled in average daily membership, in order to~~
28 ~~support the provision of special education services;~~
- 29 m. ~~0.07 the number of full-time equivalent students who:~~
- 30 (1) ~~On a test of English language proficiency approved by the superintendent of~~
31 ~~public instruction are determined to be more proficient than students placed~~

- 1 in the second of six categories of proficiency and therefore placed in the
2 third of six categories of proficiency;
- 3 (2) Are enrolled in a program of instruction for English language learners; and
4 (3) Have not been in the third of six categories of proficiency for more than
5 three years;
- 6 n. 0.025 the number of students representing that percentage of the total number of
7 students in average daily membership which is equivalent to the three-year
8 average percentage of students in grades three through eight who are eligible for
9 free or reduced lunches under the Richard B. Russell National School Lunch Act
10 [42 U.S.C. 1751 et seq.];
- 11 o. 0.003 the number of students enrolled in average daily membership in each
12 public school in the district that:
- 13 (1) Has acquired and is utilizing the PowerSchool student information system;
14 (2) Has acquired and is in the process of implementing the PowerSchool
15 student information system; or
16 (3) Will acquire the PowerSchool student information system during the current
17 school year, provided the acquisition is contractually demonstrated; and
- 18 p. 0.002 the number of students enrolled in average daily membership in a school
19 district that is a participating member of a regional education association meeting
20 the requirements of chapter 15.1-09.1.
- 21 2. The superintendent of public instruction shall determine each school district's weighted
22 average daily membership by adding the products derived under subsection 1 to the
23 district's average daily membership.
- 24 **(Effective after June 30, 2015) Weighted average daily membership - Determination.**
- 25 1. For each school district, the superintendent of public instruction shall multiply by:
- 26 a. 1.00 the number of full-time equivalent students enrolled in a migrant summer
27 program;
- 28 **b.a.** 1.00 the number of full-time equivalent students enrolled in an extended
29 educational program in accordance with section 15.1-32-17;
- 30 **e.b.** 0.60 the number of full-time equivalent students enrolled in a summer education
31 program, including a migrant summer education program;

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- 1 d. ~~0.50 the number of full-time equivalent students enrolled in a home-based~~
2 ~~education program and monitored by the school district under chapter 15.1-23;~~
3 e.c. ~~0.30~~0.40 the number of full-time equivalent students who:
4 (1) On a test of English language proficiency approved by the superintendent of
5 public instruction are determined to be least proficient and placed in the first
6 of six categories of proficiency; and
7 (2) Are enrolled in a program of instruction for English language learners;
8 d. 0.27 the number of full-time equivalent students who:
9 (1) On a test of English language proficiency approved by the superintendent of
10 public instruction are determined to be more proficient than students placed
11 in the first of six categories of proficiency and therefore placed in the second
12 of six categories of proficiency; and
13 (2) Are enrolled in a program of instruction for English language learners;
14 f.e. 0.25 the number of full-time equivalent students under the age of twenty-one,
15 enrolled in grades nine through twelve in an alternative high school;
16 g. ~~0.20 the number of full-time equivalent students attending school in a bordering~~
17 ~~state in accordance with section 15.1-29-01;~~
18 h. ~~0.20 the number of full-time equivalent students who:~~
19 (1) ~~On a test of English language proficiency approved by the superintendent of~~
20 ~~public instruction are determined to be more proficient than students placed~~
21 ~~in the first of six categories of proficiency and therefore placed in the second~~
22 ~~of six categories of proficiency; and~~
23 (2) ~~Are enrolled in a program of instruction for English language learners;~~
24 f. 0.20 the number of students representing that percentage of the total number of
25 students in average daily membership in kindergarten through grade three, which
26 is equivalent to the three-year average percentage of students in grades three
27 through eight who are eligible for free or reduced lunches under the Richard B.
28 Russell National School Lunch Act [42 U.S.C. 1751, et seq.];
29 g. 0.20 the number of full-time equivalent students enrolled in a home-based
30 education program and monitored by the school district under chapter 15.1-23;

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- 1 i.h. 0.17 the number of full-time equivalent students enrolled in an early childhood
2 special education program;
- 3 i. 0.15 the number of full-time equivalent students, in grades six through eight,
4 enrolled in an alternative education program for at least an average of fifteen
5 hours per week;
- 6 j. 0.10 the number of students enrolled in average daily membership, if the district
7 has fewer than one hundred students enrolled in average daily membership and
8 the district consists of an area greater than two hundred seventy-five square
9 miles [19424.9 hectares], provided that any school district consisting of an area
10 greater than six hundred square miles [155399 hectares] and enrolling fewer than
11 fifty students in average daily membership must be deemed to have an
12 enrollment equal to fifty students in average daily membership;
- 13 k. 0.082 the number of students enrolled in average daily membership, in order to
14 support the provision of special education services;
- 15 l. 0.07 the number of full-time equivalent students who:
- 16 (1) On a test of English language proficiency approved by the superintendent of
17 public instruction are determined to be more proficient than students placed
18 in the second of six categories of proficiency and therefore placed in the
19 third of six categories of proficiency;
- 20 (2) Are enrolled in a program of instruction for English language learners; and
- 21 (3) Have not been in the third of six categories of proficiency for more than
22 three years;
- 23 m. 0.025 the number of students representing that percentage of the total number of
24 students in average daily membership in grades four through twelve which is
25 equivalent to the three-year average percentage of students in grades three
26 through eight who are eligible for free or reduced lunches under the Richard B.
27 Russell National School Lunch Act [42 U.S.C. 1751 et seq.];
- 28 ~~n. 0.006 the number of students enrolled in average daily membership in each~~
29 ~~public school in the district that:~~
- 30 (1) ~~Has acquired and is utilizing the PowerSchool student information system;~~

- 1 (2) ~~Has acquired and is in the process of implementing the PowerSchool-~~
2 ~~student information system; or~~
- 3 (3) ~~Will acquire the PowerSchool student information system during the current-~~
4 ~~school year, provided the acquisition is contractually demonstrated;~~
- 5 n. 0.003 the number of students enrolled in average daily membership, in order to
6 support the provision of a third day of professional development activities;
- 7 o. 0.003 the number of students enrolled in average daily membership, in order to
8 support the provision of a fourth day of professional development activities;
- 9 p. 0.003 the number of students enrolled in average daily membership, in order to
10 support the provision of a fifth day of professional development activities; and
- 11 e-g. ~~0.004~~0.0022 the number of students enrolled in average daily membership in a
12 school district that is a participating member of a regional education association
13 meeting the requirements of chapter 15.1-09.1.
- 14 2. The superintendent of public instruction shall determine each school district's weighted
15 average daily membership by adding the products derived under subsection 1 to the
16 district's average daily membership, subject to any additional criteria set forth in this
17 subsection.
- 18 a. A student in grades six through eight, who qualifies for funding based on the
19 student's enrollment in an alternative education program, as provided for in
20 subdivision i of subsection 1, may not be included in the number of students for
21 whom funding is provided in accordance with subdivision m of subsection 1.
- 22 b. A student who qualifies for funding based on the student's enrollment in a
23 program of instruction for English language learners, as provided for in
24 subdivisions c, d, or l of subsection 1, may be included in the number of students
25 for whom funding is provided in accordance with subdivision f or m of
26 subsection 1.
- 27 c. The factors available to support the provision of professional development
28 activities, as provided for in subdivisions n through p of subsection 1, are
29 applicable only if the superintendent of public instruction has preapproved the
30 professional development activities, in accordance with rules established by the

1 superintendent. The rules must address content, qualifications of presenters, and
2 the application process for approval.

3 **SECTION 6. AMENDMENT.** Section 15.1-27-03.2 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **15.1-27-03.2. (~~Effective through June 30, 2015~~) School district size weighting factor -**
6 **Weighted student units.**

7 1. For each high school district in the state, the superintendent of public instruction shall
8 assign a school district size weighting factor of:

9 a. 1.40 if the students in average daily membership number fewer than 100;

10 b. 1.39 if the students in average daily membership number at least 100 but fewer
11 than 105;

12 c. 1.38 if the students in average daily membership number at least 105 but fewer
13 than 110;

14 d. 1.37 if the students in average daily membership number at least 110 but fewer
15 than 115;

16 e. 1.36 if the students in average daily membership number at least 115 but fewer
17 than 120;

18 f. 1.35 if the students in average daily membership number at least 120 but fewer
19 than 125;

20 ~~b-g.~~ 1.34 if the students in average daily membership number at least 125 but fewer
21 than 130;

22 ~~e-h.~~ 1.33 if the students in average daily membership number at least 130 but fewer
23 than 135;

24 ~~d-i.~~ 1.32 if the students in average daily membership number at least 135 but fewer
25 than 140;

26 ~~e-j.~~ 1.31 if the students in average daily membership number at least 140 but fewer
27 than 145;

28 ~~f-k.~~ 1.30 if the students in average daily membership number at least 145 but fewer
29 than 150;

30 ~~g-l.~~ 1.29 if the students in average daily membership number at least 150 but fewer
31 than 155;

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- 1 h-m. 1.28 if the students in average daily membership number at least 155 but fewer
2 than 160;
- 3 i-n. 1.27 if the students in average daily membership number at least 160 but fewer
4 than 165;
- 5 j-o. 1.26 if the students in average daily membership number at least 165 but fewer
6 than 175;
- 7 k-p. 1.25 if the students in average daily membership number at least 175 but fewer
8 than 185;
- 9 l-q. 1.24 if the students in average daily membership number at least 185 but fewer
10 than 200;
- 11 m-r. 1.23 if the students in average daily membership number at least 200 but fewer
12 than 215;
- 13 n-s. 1.22 if the students in average daily membership number at least 215 but fewer
14 than 230;
- 15 o-t. 1.21 if the students in average daily membership number at least 230 but fewer
16 than 245;
- 17 p-u. 1.20 if the students in average daily membership number at least 245 but fewer
18 than 260;
- 19 q-v. 1.19 if the students in average daily membership number at least 260 but fewer
20 than 270;
- 21 r-w. 1.18 if the students in average daily membership number at least 270 but fewer
22 than 275;
- 23 s-x. 1.17 if the students in average daily membership number at least 275 but fewer
24 than 280;
- 25 t-y. 1.16 if the students in average daily membership number at least 280 but fewer
26 than 285;
- 27 u-z. 1.15 if the students in average daily membership number at least 285 but fewer
28 than 290;
- 29 v-aa. 1.14 if the students in average daily membership number at least 290 but fewer
30 than 295;

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- 1 w-bb. 1.13 if the students in average daily membership number at least 295 but fewer than
2 300;
3 x-cc. 1.12 if the students in average daily membership number at least 300 but fewer
4 than 305;
5 y-dd. 1.11 if the students in average daily membership number at least 305 but fewer
6 than 310;
7 z-ee. 1.10 if the students in average daily membership number at least 310 but fewer
8 than 320;
9 aa-ff. 1.09 if the students in average daily membership number at least 320 but fewer
10 than 335;
11 bb-gg. 1.08 if the students in average daily membership number at least 335 but fewer
12 than 350;
13 ee-hh. 1.07 if the students in average daily membership number at least 350 but fewer
14 than 360;
15 dd-ii. 1.06 if the students in average daily membership number at least 360 but fewer
16 than 370;
17 ee-jj. 1.05 if the students in average daily membership number at least 370 but fewer
18 than 380;
19 ff-kk. 1.04 if the students in average daily membership number at least 380 but fewer
20 than 390;
21 gg-ll. 1.03 if the students in average daily membership number at least 390 but fewer
22 than 400;
23 hh-mm. 1.02 if the students in average daily membership number at least 400 but fewer
24 than 600;
25 ii-nn. 1.01 if the students in average daily membership number at least 600 but fewer than
26 900; and
27 jj-oo. 1.00 if the students in average daily membership number at least 900.
28 2. For each elementary district in the state, the superintendent of public instruction shall
29 assign a weighting factor of:
30 a. 1.25 if the students in average daily membership number fewer than 125;

- 1 b. 1.17 if the students in average daily membership number at least 125 but fewer
2 than 200; and
- 3 c. 1.00 if the students in average daily membership number at least 200.
- 4 3. The school district size weighting factor determined under this section and multiplied
5 by a school district's weighted average daily membership equals the district's weighted
6 student units.
- 7 4. Notwithstanding the provisions of this section, the school district size weighting factor
8 assigned to a district may not be less than the factor arrived at when the highest
9 number of students possible in average daily membership is multiplied by the school
10 district size weighting factor for the subdivision immediately preceding the district's
11 actual subdivision and then divided by the district's average daily membership.

12 ~~(Effective after June 30, 2015) School district size weighting factor -- Weighted~~
13 ~~student units.~~

- 14 ~~1. For each high school district in the state, the superintendent of public instruction shall~~
15 ~~assign a school district size weighting factor of:~~
- 16 ~~a. 1.25 if the students in average daily membership number fewer than 185;~~
- 17 ~~b. 1.24 if the students in average daily membership number at least 185 but fewer~~
18 ~~than 200;~~
- 19 ~~c. 1.23 if the students in average daily membership number at least 200 but fewer~~
20 ~~than 215;~~
- 21 ~~d. 1.22 if the students in average daily membership number at least 215 but fewer~~
22 ~~than 230;~~
- 23 ~~e. 1.21 if the students in average daily membership number at least 230 but fewer~~
24 ~~than 245;~~
- 25 ~~f. 1.20 if the students in average daily membership number at least 245 but fewer~~
26 ~~than 260;~~
- 27 ~~g. 1.19 if the students in average daily membership number at least 260 but fewer~~
28 ~~than 270;~~
- 29 ~~h. 1.18 if the students in average daily membership number at least 270 but fewer~~
30 ~~than 275;~~

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- 1 i. ~~1.17 if the students in average daily membership number at least 275 but fewer-~~
2 ~~than 280;~~
- 3 j. ~~1.16 if the students in average daily membership number at least 280 but fewer-~~
4 ~~than 285;~~
- 5 k. ~~1.15 if the students in average daily membership number at least 285 but fewer-~~
6 ~~than 290;~~
- 7 l. ~~1.14 if the students in average daily membership number at least 290 but fewer-~~
8 ~~than 295;~~
- 9 m. ~~1.13 if the students in average daily membership number at least 295 but fewer-~~
10 ~~than 300;~~
- 11 n. ~~1.12 if the students in average daily membership number at least 300 but fewer-~~
12 ~~than 305;~~
- 13 o. ~~1.11 if the students in average daily membership number at least 305 but fewer-~~
14 ~~than 310;~~
- 15 p. ~~1.10 if the students in average daily membership number at least 310 but fewer-~~
16 ~~than 320;~~
- 17 q. ~~1.09 if the students in average daily membership number at least 320 but fewer-~~
18 ~~than 335;~~
- 19 r. ~~1.08 if the students in average daily membership number at least 335 but fewer-~~
20 ~~than 350;~~
- 21 s. ~~1.07 if the students in average daily membership number at least 350 but fewer-~~
22 ~~than 360;~~
- 23 t. ~~1.06 if the students in average daily membership number at least 360 but fewer-~~
24 ~~than 370;~~
- 25 u. ~~1.05 if the students in average daily membership number at least 370 but fewer-~~
26 ~~than 380;~~
- 27 v. ~~1.04 if the students in average daily membership number at least 380 but fewer-~~
28 ~~than 390;~~
- 29 w. ~~1.03 if the students in average daily membership number at least 390 but fewer-~~
30 ~~than 400;~~

- 1 x. ~~1.02 if the students in average daily membership number at least 400 but fewer-~~
2 ~~than 600;~~
3 y. ~~1.01 if the students in average daily membership number at least 600 but fewer-~~
4 ~~than 900; and~~
5 z. ~~1.00 if the students in average daily membership number at least 900.~~
6 2. For each elementary district in the state, the superintendent of public instruction shall
7 assign a weighting factor of:
8 a. ~~1.25 if the students in average daily membership number fewer than 125;~~
9 b. ~~1.17 if the students in average daily membership number at least 125 but fewer-~~
10 ~~than 200; and~~
11 c. ~~1.00 if the students in average daily membership number at least 200.~~
12 3. ~~The school district size weighting factor determined under this section and multiplied-~~
13 ~~by a school district's weighted average daily membership equals the district's weighted~~
14 ~~student units.~~
15 4. ~~Notwithstanding the provisions of this section, the school district size weighting factor-~~
16 ~~assigned to a district may not be less than the factor arrived at when the highest~~
17 ~~number of students possible in average daily membership is multiplied by the school~~
18 ~~district size weighting factor for the subdivision immediately preceding the district's-~~
19 ~~actual subdivision and then divided by the district's average daily membership.~~

20 **SECTION 7. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15.1-27-04.1. (Effective through June 30, 2015) Baseline funding - Establishment -**
23 **Determination of state aid.**

- 24 1. In order to determine the amount of state aid payable to each district, the
25 superintendent of public instruction shall establish each district's baseline funding. A
26 district's baseline funding consists of:
27 a. All state aid received by the district in accordance with chapter 15.1-27 during the
28 2012-13 school year;
29 b. The district's 2012-13 mill levy reduction grant, as determined in accordance with
30 chapter 57-64, as it existed on June 30, 2013;

- 1 c. An amount equal to that raised by the district's 2012 general fund levy or that
2 raised by one hundred ten mills of the district's 2012 general fund levy, whichever
3 is less;
- 4 d. An amount equal to that raised by the district's 2012 long-distance learning and
5 educational technology levy;
- 6 e. An amount equal to that raised by the district's 2012 alternative education
7 program levy; and
- 8 f. An amount equal to:
- 9 (1) Seventy-five percent of all revenue received by the school district and
10 reported under code 2000 of the North Dakota school district financial
11 accounting and reporting manual, as developed by the superintendent of
12 public instruction in accordance with section 15.1-02-08;
- 13 (2) Seventy-five percent of all mineral revenue received by the school district
14 through direct allocation from the state treasurer and not reported under
15 code 2000 of the North Dakota school district financial accounting and
16 reporting manual, as developed by the superintendent of public instruction
17 in accordance with section 15.1-02-08;
- 18 (3) Seventy-five percent of all tuition received by the school district and
19 reported under code 1300 of the North Dakota school district financial
20 accounting and reporting manual, as developed by the superintendent of
21 public instruction in accordance with section 15.1-02-08, with the exception
22 of revenue received specifically for the operation of an educational program
23 provided at a residential treatment facility and tuition received for the
24 provision of an adult farm management program;
- 25 (4) Seventy-five percent of all revenue received by the school district from
26 payments in lieu of taxes on the distribution and transmission of electric
27 power;
- 28 (5) Seventy-five percent of all revenue received by the school district from
29 payments in lieu of taxes on electricity generated from sources other than
30 coal;
- 31 (6) All revenue received by the school district from mobile home taxes;

- 1 (7) Seventy-five percent of all revenue received by the school district from the
2 leasing of land acquired by the United States for which compensation is
3 allocated to the state under 33 U.S.C. 701(c)(3);
- 4 (8) All telecommunications tax revenue received by the school district; and
- 5 (9) All revenue received by the school district from payments in lieu of taxes
6 and state reimbursement of the homestead credit and disabled veterans
7 credit.
- 8 2. The superintendent shall divide the district's total baseline funding by the district's
9 2012-13 weighted student units in order to determine the district's baseline funding per
10 weighted student unit.
- 11 3. a. ~~In 2013-14, the superintendent shall multiply the district's weighted student units~~
12 ~~by eight thousand eight hundred ten dollars.~~
- 13 (1) ~~The superintendent shall adjust the product to ensure that the product is at~~
14 ~~least equal to the greater of:~~
- 15 (a) ~~One hundred two percent of the district's baseline funding per~~
16 ~~weighted student unit, as established in subsection 2, multiplied by~~
17 ~~the district's 2013-14 weighted student units; or~~
- 18 (b) ~~One hundred percent of the district's baseline funding as established~~
19 ~~in subsection 1.~~
- 20 (2) ~~The superintendent shall also adjust the product to ensure that the product~~
21 ~~does not exceed one hundred ten percent of the district's baseline funding~~
22 ~~per weighted student unit multiplied by the district's 2013-14 weighted~~
23 ~~student units, as established in subsection 2.~~
- 24 b. ~~In 2014-15, the superintendent shall multiply the district's weighted student units~~
25 ~~by nine thousand ninety two dollars.~~
- 26 (1) ~~The superintendent shall adjust the product to ensure that the product is at~~
27 ~~least equal to the greater of:~~
- 28 (a) ~~One hundred four percent of the district's baseline funding per~~
29 ~~weighted student unit, as established in subsection 2, multiplied by~~
30 ~~the district's 2014-15 weighted student units; or~~

- 1 (b) ~~One hundred percent of the district's baseline funding as established~~
2 ~~in subsection 1.~~
- 3 (2) ~~The superintendent shall also adjust the product to ensure that the product~~
4 ~~does not exceed one hundred twenty percent of the district's baseline~~
5 ~~funding per weighted student unit, as established in subsection 2, multiplied~~
6 ~~by the district's 2014-15 weighted student units.~~
- 7 3. a. In 2015-16, the superintendent shall multiply the district's weighted student units
8 by nine thousand four hundred twenty-four dollars.
- 9 (1) The superintendent shall adjust the product to ensure that the product is at
10 least equal to the greater of:
- 11 (a) One hundred six percent of the district's baseline funding per
12 weighted student unit, as established in subsection 2, multiplied by
13 the district's 2015-16 weighted student units; or
- 14 (b) One hundred percent of the district's baseline funding, as established
15 in subsection 1.
- 16 (2) The superintendent shall also adjust the product to ensure that the product
17 does not exceed one hundred thirty percent of the district's baseline funding
18 per weighted student unit, as established in subsection 2, multiplied by the
19 district's 2015-16 weighted student units.
- 20 b. In 2016-17, the superintendent shall multiply the district's weighted student units
21 by nine thousand seven hundred sixty-six dollars.
- 22 (1) The superintendent shall adjust the product to ensure that the product is at
23 least equal to the greater of:
- 24 (a) One hundred eight percent of the district's baseline funding per
25 weighted student unit, as established in subsection 2, multiplied by
26 the district's 2016-17 weighted student units; or
- 27 (b) One hundred percent of the district's baseline funding, as established
28 in subsection 1.
- 29 (2) The superintendent shall also adjust the product to ensure that the product
30 does not exceed one hundred forty percent of the district's baseline funding

1 per weighted student unit, as established in subsection 2, multiplied by the
2 district's 2015-16 weighted student units.

3 4. After determining the product in accordance with subsection 3, the superintendent of
4 public instruction shall:

5 a. (1) ~~Subtract~~In 2015-16, subtract an amount equal to ~~sixty~~fifty-seven mills
6 multiplied by the taxable valuation of the school district, provided that ~~after-~~
7 ~~2013~~, the amount in dollars subtracted for purposes of this subdivision may
8 not exceed the previous year's amount in dollars subtracted for purposes of
9 this subdivision by more than twelve percent; and

10 b. (2) Subtract an amount equal to seventy-five percent of all revenues listed in
11 paragraphs 1 through 5, and 7 of subdivision f of subsection 1 and one
12 hundred percent of all revenues listed in paragraphs 6, 8, and 9 of
13 subdivision f of subsection 1; and

14 b. (1) In 2016-17, subtract an amount equal to fifty-four mills multiplied by the
15 taxable valuation of the school district, provided that the amount in dollars
16 subtracted for purposes of this subdivision may not exceed the previous
17 year's amount in dollars subtracted for purposes of this subdivision by more
18 than twelve percent; and

19 (2) Subtract an amount equal to seventy-five percent of all revenues listed in
20 paragraphs 1 through 5, and 7 of subdivision f of subsection 1 and one
21 hundred percent of all revenues listed in paragraphs 6, 8, and 9 of
22 subdivision f of subsection 1.

23 5. The amount remaining after the computation required under subsection 4 is the
24 amount of state aid to which a school district is entitled, subject to any other statutory
25 requirements or limitations.

26 **SECTION 8. AMENDMENT.** Section 15.1-27-04.2 of the North Dakota Century Code is
27 amended and reenacted as follows:

1 **15.1-27-04.2. (~~Effective through June 30, 2015~~) State aid - Minimum local effort -**
2 **Determination.**

3 If a district's taxable valuation per student is less than twenty percent of the state average
4 valuation per student, the superintendent of public instruction, for purposes of determining state
5 aid in accordance with section 15.1-27-04.1, shall utilize:

6 1. In 2015-16 an amount equal to ~~sixty~~fifty-seven mills times twenty percent of the state
7 average valuation per student multiplied by the number of weighted student units in
8 the district; and

9 2. In 2016-17, an amount equal to ~~fifty-four~~ mills times twenty percent of the state
10 average valuation per student multiplied by the number of weighted student units in
11 the district.

12 **SECTION 9. AMENDMENT.** Section 15.1-27-35.3 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15.1-27-35.3. (~~Effective through June 30, 2015~~) Payments to school districts -**
15 **Unobligated general fund balance.**

16 1. a. The superintendent of public instruction shall determine the amount of payments
17 due a school district and shall subtract from that the amount by which the
18 unobligated general fund balance of the district on the preceding June thirtieth is
19 ~~in excess of forty-five percent of its actual expenditures, plus twenty thousand~~
20 ~~dollars.~~

21 b. ~~Beginning July 1, 2015, the superintendent of public instruction shall determine~~
22 ~~the amount of payments due to a school district and shall subtract from that the~~
23 ~~amount by which the unobligated general fund balance of the district on the~~
24 ~~preceding June thirtieth is in excess of forty percent of its actual expenditures,~~
25 plus twenty thousand dollars.

26 e.b. Beginning July 1, 2017, the superintendent of public instruction shall determine
27 the amount of payments due to a school district and shall subtract from that the
28 amount by which the unobligated general fund balance of the district on the
29 preceding June thirtieth is in excess of thirty-five percent of its actual
30 expenditures, plus twenty thousand dollars.

1 2. In making the determination required by subsection 1, the superintendent of public
2 instruction may not include in a district's unobligated general fund balance any
3 moneys that were received by the district from the federal education jobs fund
4 program.

5 ~~3.2.~~ For purposes of this section, a district's unobligated general fund balance includes all
6 moneys in the district's miscellaneous fund, as established under section 57-15-14.2.

7 ~~(Effective after June 30, 2015) Payments to school districts -- Unobligated general~~
8 ~~fund balance.~~

9 1. The superintendent of public instruction shall determine the amount of payments due a
10 school district and shall subtract from that the amount by which the unobligated
11 general fund balance of the district on the preceding June thirtieth is in excess of
12 forty five percent of its actual expenditures, plus twenty thousand dollars.

13 2. In making the determination required by subsection 1, the superintendent of public
14 instruction may not include in a district's unobligated general fund balance any
15 moneys that were received by the district from the federal education jobs fund
16 program.

17 **SECTION 10. AMENDMENT.** Section 15.1-27-45 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **15.1-27-45. (Effective through June 30, 2015) Property tax relief fund.**

20 1. a. The property tax relief fund is a special fund in the state treasury. ~~On July 1,~~
21 ~~2013, the state treasurer shall change the name of the property tax relief sustainability~~
22 ~~fund established under section 57-64-05 to the property tax relief fund, as established~~
23 ~~by this section, and any unobligated balance in the property tax relief sustainability~~
24 ~~fund must be retained in the property tax relief fund.~~

25 b. The legislative council shall change the name of the property tax relief
26 sustainability fund to the property tax relief fund in the North Dakota Century
27 Code, in its supplements, and in all statutory compilations generated as a result
28 of action by the sixty third legislative assembly.

29 2. Moneys in the property tax relief fund may be expended pursuant to legislative
30 appropriations for property tax relief programs.

- 1 3. On or before the third Monday in each January, February, March, April, August,
2 September, October, November, and December, the office of management and budget
3 shall certify to the superintendent of public instruction the amount of the property tax
4 relief fund. The superintendent shall include the amount certified in determining the
5 state aid payments to which each school district is entitled under chapter 15.1-27.

6 **SECTION 11. AMENDMENT.** Section 15.1-30-04 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-30-04. ~~(Effective for the first two taxable years beginning after December 31,~~**
9 **~~2012) Provision of meals and lodging for high school students - Payment permitted.~~**

10 Instead of providing transportation so that an eligible high school student residing in the
11 district can attend school in another district, a school board may pay a reasonable allowance to
12 the student's parent for costs incurred in the provision of meals and lodging for the student at a
13 location other than the student's residence.

14 ~~(Effective after the first two taxable years beginning after December 31, 2012)-~~

15 ~~**Provision of meals and lodging for high school students -- Payment permitted -- Levy.**~~

16 ~~Instead of providing transportation so that an eligible high school student residing in the district~~
17 ~~can attend school in another district, a school board may pay a reasonable allowance to the~~
18 ~~student's parent for costs incurred in the provision of meals and lodging for the student at a~~
19 ~~location other than the student's residence. A school district that furnishes either transportation~~
20 ~~or an allowance for the provision of meals and lodging for a student under this section may levy~~
21 ~~a tax pursuant to subdivision a of subsection 1 of section 57-15-14.2 for this purpose.~~

22 **SECTION 12. AMENDMENT.** Section 15.1-36-02 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15.1-36-02. ~~(Effective through June 30, 2015) School construction projects - Loans.~~**

- 25 1. In order to provide school construction loans, the board of university and school lands
26 may authorize the use of:
- 27 a. Fifty million dollars, or so much of that amount as may be necessary, from the
28 coal development trust fund, established pursuant to section 21 of article X of the
29 Constitution of North Dakota and subsection 1 of section 57-62-02; and
- 30 b. One hundred fifty million dollars from the strategic investment and improvements
31 fund, established pursuant to section 15-08.1-08.

- 1 2. In order to be eligible for a loan under this section, the board of a school district shall:
 - 2 a. Propose a construction project with a cost of at least one million dollars and an
 - 3 expected utilization of at least thirty years;
 - 4 b. Obtain the approval of the superintendent of public instruction for the construction
 - 5 project under section 15.1-36-01; and
 - 6 c. Submit to the superintendent of public instruction an application containing all
 - 7 information deemed necessary by the superintendent, including potential
 - 8 alternative sources or methods of financing the construction project.
- 9 3. If an eligible school district's taxable valuation per student is less than eighty percent
- 10 of the state average taxable valuation per student, the district is entitled to receive:
 - 11 a. A school construction loan equal to the lesser of twenty million dollars or ninety
 - 12 percent of the actual project cost;
 - 13 b. An interest rate discount equal to at least one hundred but not more than four
 - 14 hundred basis points below the prevailing tax-free bond rates; and
 - 15 c. A term of repayment that may extend up to twenty years.
- 16 4. If an eligible school district's taxable valuation per student is equal to at least eighty
- 17 percent but less than ninety percent of the state average taxable valuation per
- 18 student, the district is entitled to receive:
 - 19 a. A school construction loan equal to the lesser of fifteen million dollars or eighty
 - 20 percent of the actual project cost;
 - 21 b. An interest rate buydown equal to at least one hundred but not more than three
 - 22 hundred fifty basis points below the prevailing tax-free bond rates; and
 - 23 c. A term of repayment that may extend up to twenty years.
- 24 5. If an eligible school district's taxable valuation per student is equal to at least ninety
- 25 percent of the state average taxable valuation per student, the district is entitled to
- 26 receive:
 - 27 a. A school construction loan equal to the lesser of ten million dollars or seventy
 - 28 percent of the actual project cost;
 - 29 b. An interest rate discount equal to at least one hundred but not more than three
 - 30 hundred basis points below the prevailing tax-free bond rates; and
 - 31 c. A term of repayment that may extend up to twenty years.

- 1 6. The board of a school district may submit its loan application to the superintendent of
2 public instruction before or after receiving authorization of a bond issue in accordance
3 with chapter 21-03. If the vote to authorize a bond issue precedes the application for a
4 loan, the application must be acted upon by the superintendent expeditiously but no
5 later than one hundred eighty days from the date it is received by the superintendent.
- 6 7. The superintendent of public instruction shall consider each loan application in the
7 order it received approval under section 15.1-36-01.
- 8 8. If the superintendent of public instruction approves the loan, the superintendent may
9 determine the loan amount, the term of the loan, and the interest rate, in accordance
10 with the requirements of this section. A school district's interest rate may not be less
11 than one percent, regardless of any rate discount for which the district might otherwise
12 qualify under this section.
- 13 9. a. If a school district seeking a loan under this section received an allocation of the
14 oil and gas gross production tax during the previous fiscal year in accordance
15 with chapter 57-51, the board of the district shall provide to the board of
16 university and school lands, and to the state treasurer, its evidence of
17 indebtedness indicating that the loan originated under this section.
- 18 b. If the evidence of indebtedness is payable solely from the school district's
19 allocation of the oil and gas gross production tax in accordance with section
20 57-51-15, the loan does not constitute a general obligation of the school district
21 and may not be considered a debt of the district.
- 22 c. If a loan made to a school district is payable solely from the district's allocation of
23 the oil and gas gross production tax in accordance with section 57-51-15, the
24 terms of the loan must require that the state treasurer withhold the dollar amount
25 or percentage specified in the loan agreement, from each of the district's oil and
26 gas gross production tax allocations, in order to repay the principal and interest of
27 the evidence of indebtedness. The state treasurer shall deposit the amount
28 withheld into the fund from which the loan originated.
- 29 d. Any evidence of indebtedness executed by the board of a school district under
30 this subsection is a negotiable instrument and not subject to taxation by the state
31 or any political subdivision of the state.

1 10. For purposes of this section, a "construction project" means the purchase, lease,
2 erection, or improvement of any structure or facility by a school board, provided the
3 acquisition or activity is within a school board's authority.

4 **~~(Effective after June 30, 2015) School construction projects -- Loans.~~**

- 5 ~~1. The board of university and school lands may authorize the use of moneys in the coal~~
6 ~~development trust fund established pursuant to section 21 of article X of the~~
7 ~~Constitution of North Dakota and subsection 1 of section 57-62-02 to provide school~~
8 ~~construction loans, as described in this chapter. The outstanding principal balance of~~
9 ~~loans under this chapter may not exceed fifty million dollars. The board may adopt~~
10 ~~policies and rules governing school construction loans.~~
- 11 ~~2. In order to be eligible for a loan under this section, the board of a school district shall:~~
- 12 ~~a. Propose a construction project with a cost of at least one million dollars and an~~
13 ~~expected utilization of at least thirty years;~~
- 14 ~~b. Obtain the approval of the superintendent of public instruction for the construction~~
15 ~~project under section 15.1-36-01; and~~
- 16 ~~c. Submit to the superintendent of public instruction an application containing all~~
17 ~~information deemed necessary by the superintendent, including potential~~
18 ~~alternative sources or methods of financing the construction project.~~
- 19 ~~3. The superintendent of public instruction shall give priority to any district that meets the~~
20 ~~requirements for receipt of an equity payment under section 15.1-27-11.~~
- 21 ~~4. If an eligible school district's imputed taxable valuation per student is less than eighty-~~
22 ~~percent of the state average imputed valuation per student, the district is entitled to~~
23 ~~receive:~~
- 24 ~~a. A school construction loan equal to the lesser of twelve million dollars or eighty-~~
25 ~~percent of the actual project cost;~~
- 26 ~~b. An interest rate discount equal to at least one hundred but not more than two~~
27 ~~hundred fifty basis points below the prevailing tax-free bond rates; and~~
- 28 ~~c. A term of repayment that may extend up to twenty years.~~
- 29 ~~5. If an eligible school district's imputed taxable valuation per student is equal to at least~~
30 ~~eighty percent but less than ninety percent of the state average imputed taxable~~
31 ~~valuation per student, the district is entitled to receive:~~

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- 1 a. ~~A school construction loan equal to the lesser of ten million dollars or seventy-~~
2 ~~percent of the actual project cost;~~
- 3 b. ~~An interest rate buydown equal to at least one hundred but not more than two-~~
4 ~~hundred fifty basis points below the prevailing tax-free bond rates; and~~
- 5 c. ~~A term of repayment that may extend up to twenty years.~~
- 6 6. ~~If an eligible school district's imputed taxable valuation per student is equal to at least~~
7 ~~ninety percent of the state average imputed taxable valuation per student, the district~~
8 ~~is entitled to receive:~~
 - 9 a. ~~A school construction loan equal to the lesser of four million dollars or thirty-~~
10 ~~percent of the actual project cost;~~
 - 11 b. ~~An interest rate discount equal to at least one hundred but not more than two-~~
12 ~~hundred fifty basis points below the prevailing tax-free bond rates; and~~
 - 13 c. ~~A term of repayment that may extend up to twenty years.~~
- 14 7. ~~The board of a school district may submit its loan application to the superintendent of~~
15 ~~public instruction before or after receiving authorization of a bond issue in accordance~~
16 ~~with chapter 21-03. If the vote to authorize a bond issue precedes the application for a~~
17 ~~loan, the application must be acted upon by the superintendent expeditiously but no-~~
18 ~~later than one hundred eighty days from the date it is received by the superintendent.~~
- 19 8. ~~The superintendent of public instruction shall consider each loan application in the~~
20 ~~order it received approval under section 15.1-36-01.~~
- 21 9. ~~If the superintendent of public instruction approves the loan, the superintendent may~~
22 ~~determine the loan amount, the term of the loan, and the interest rate, in accordance~~
23 ~~with the requirements of this section.~~
- 24 10. ~~The superintendent of public instruction may adopt rules governing school-~~
25 ~~construction loans.~~
- 26 11. ~~For purposes of this section, a construction project means the purchase, lease,~~
27 ~~erection, or improvement of any structure or facility by a school board, provided the~~
28 ~~acquisition or activity is within a school board's authority.~~

29 **SECTION 13. AMENDMENT.** Section 40-55-08 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 ~~40-55-08. (Effective for the first two taxable years beginning after December 31, 2012)~~

2 **Election to determine desirability of establishing recreation system - How called.**

3 1. The governing body of any municipality, school district, or park district to which this
4 chapter is applicable, may and upon receipt of a petition signed by at least ten
5 qualified electors but not less than five percent of those qualified electors who voted at
6 the last general election of the municipality, school district, or park district, shall submit
7 to the qualified electors the question of the establishment, maintenance, and conduct
8 of a public recreation system, and except in the case of a school district, the levying of
9 an annual tax for the conduct and maintenance thereof of not more than two and
10 five-tenths mills on each dollar of taxable valuation of all taxable property within the
11 corporate limits or boundaries of such municipality or park district, to be voted upon at
12 the next general election or special municipal election; ~~provided, however, that such~~

13 2. The questions referenced in subsection 1 may not be voted upon at the next general
14 election unless such action of the governing body shall ~~be~~ taken, or such a petition to
15 submit ~~such~~ the question shall be filed, thirty days prior to the date of ~~such~~ the
16 election.

17 3. A school district may provide for the establishment, maintenance, and conduct of a
18 public recreation system using the proceeds of levies, as permitted by section
19 57-15-14.2.

20 ~~(Effective after the first two taxable years beginning after December 31, 2012)~~

21 ~~**Election to determine desirability of establishing recreation system - How called.** The~~
22 ~~governing body of any municipality, school district, or park district to which this chapter is~~
23 ~~applicable, may and upon receipt of a petition signed by at least ten qualified electors but not~~
24 ~~less than five percent of those qualified electors who voted at the last general election of the~~
25 ~~municipality, school district, or park district, shall submit to the qualified electors the question of~~
26 ~~the establishment, maintenance, and conduct of a public recreation system, and except in the~~
27 ~~case of a school district, the levying of an annual tax for the conduct and maintenance thereof~~
28 ~~of not more than two and five-tenths mills on each dollar of taxable valuation of all taxable~~
29 ~~property within the corporate limits or boundaries of such municipality or park district, to be~~
30 ~~voted upon at the next general election or special municipal election; provided, however, that~~
31 ~~such questions may not be voted upon at the next general election unless such action of the~~

1 governing body shall be taken, or such petition to submit such question shall be filed thirty days
2 prior to the date of such election. A school district may levy a tax for the establishment,
3 maintenance, and conduct of a public recreation system pursuant to subdivision q of
4 subsection 1 of section 57-15-14.2.

5 **SECTION 14. AMENDMENT.** Section 40-55-09 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **~~40-55-09. (Effective for the first two taxable years beginning after December 31, 2012)~~**

8 **Favorable vote at election - Procedure.**

- 9 1. Except in the case of a school district or park district, upon adoption of the public
10 recreation system proposition at an election, by a majority of the votes cast upon the
11 proposition, the governing body of the municipality, by resolution or ordinance, shall
12 provide for the establishment, maintenance, and conduct of a public recreation
13 system, and.
- 14 2. The governing body of the municipality shall thereafter levy and collect annually a tax
15 of not more than two and five-tenths mills, or not more than eight and five-tenths mills
16 if authorized as provided by this section, on each dollar of the taxable valuation of all
17 taxable property within the corporate limits or boundaries of the municipality. This tax
18 is in addition to the maximum of taxes permitted to be levied in ~~such~~the municipality.
- 19 3. The mill levy authorized by this section may be raised to not more than eight and
20 five-tenths mills when the increase is approved by the citizens of the municipality, after
21 submission of the question in the same manner as provided in section 40-55-08 for the
22 establishment of the public recreation system.
- 23 4. The governing body of the municipality shall continue to levy the tax annually for public
24 recreation purposes, until the qualified voters, at a regular or special election, by a
25 majority vote on the proposition, decide to discontinue the levy.
- 26 5. The governing body of the municipality may appropriate additional funds for the
27 operation of the public recreation system if, in the opinion of the governing body,
28 additional funds are needed for the efficient operation ~~thereof~~of the system.
- 29 6. This chapter does not limit the power of any municipality, school district, or park district
30 to appropriate, on its own initiative, general municipal, school district, or park district

1 tax funds for the operation of a public recreation system, a community center, or
2 character-building facility.

3 7. A park district may levy a tax annually, within the general fund levy authority of section
4 57-15-12, for the conduct and maintenance of a public recreation system.

5 ~~(Effective after the first two taxable years beginning after December 31, 2012)~~

6 ~~**Favorable vote at election – Procedure.** Except in the case of a school district or park district,
7 upon adoption of the public recreation system proposition at an election by a majority of the
8 votes cast upon the proposition, the governing body of the municipality, by resolution or
9 ordinance, shall provide for the establishment, maintenance, and conduct of a public recreation
10 system, and thereafter levy and collect annually a tax of not more than two and five tenths mills,
11 or not more than eight and five tenths mills if authorized as provided by this section, on each
12 dollar of the taxable valuation of all taxable property within the corporate limits or boundaries of
13 the municipality. This tax is in addition to the maximum of taxes permitted to be levied in such
14 municipality. The mill levy authorized by this section may be raised to not more than eight and
15 five tenths mills when the increase is approved by the citizens of the municipality after
16 submission of the question in the same manner as provided in section 40-55-08 for the
17 establishment of the public recreation system. The governing body of the municipality shall
18 continue to levy the tax annually for public recreation purposes until the qualified voters, at a
19 regular or special election, by a majority vote on the proposition, decide to discontinue the levy.
20 The governing body of the municipality may appropriate additional funds for the operation of the
21 public recreation system if in the opinion of the governing body additional funds are needed for
22 the efficient operation thereof. This chapter does not limit the power of any municipality, school
23 district, or park district to appropriate on its own initiative general municipal, school district, or
24 park district tax funds for the operation of a public recreation system, a community center, or
25 character-building facility. A school district may levy a tax annually for the conduct and
26 maintenance of a public recreation system pursuant to subdivision q of subsection 1 of section
27 57-15-14.2. A park district may levy a tax annually within the general fund levy authority of
28 section 57-15-12 for the conduct and maintenance of a public recreation system.~~

29 **SECTION 15. AMENDMENT.** Section 57-15-01.1 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **57-15-01.1. (~~Effective for the first two taxable years beginning after December 31,~~**
2 **~~2012~~) Protection of taxpayers and taxing districts.**

3 Each taxing district may levy the lesser of the amount in dollars as certified in the budget of
4 the governing body, or the amount in dollars as allowed in this section, subject to the
5 following provisions of this section.

6 1. ~~No~~A taxing district may not levy more taxes expressed in dollars than the amounts
7 allowed by this section.

8 2. For purposes of this section:

9 a. "Base year" means the taxing district's taxable year with the highest amount
10 levied in dollars in property taxes of the three taxable years immediately
11 preceding the budget year. For a park district general fund, the "amount levied in
12 dollars in property taxes" is the sum of amounts levied in dollars in property taxes
13 for the general fund under section 57-15-12, including any:

14 (1) Any additional levy approved by the electors, ~~the~~;

15 (2) The insurance reserve fund under section 32-12.1-08, ~~the~~;

16 (3) The employee health care program under section 40-49-12, ~~the~~;

17 (4) The public recreation system under section 40-55-09, including any
18 additional levy approved by the electors, ~~forestry~~;

19 (5) Forestry purposes under section 57-15-12.1, except any additional levy
20 approved by the electors, ~~pest~~;

21 (6) Pest control under section 4-33-11, ~~;~~ and handicapped

22 (7) Handicapped person programs and activities under section 57-15-60;

23 b. "Budget year" means the taxing district's year for which the levy is being
24 determined under this section;

25 c. "Calculated mill rate" means the mill rate that results from dividing the base year
26 taxes levied by the sum of the taxable value of the taxable property in the base
27 year plus the taxable value of the property exempt by local discretion or
28 charitable status, calculated in the same manner as the taxable property; and

29 d. "Property exempt by local discretion or charitable status" means ~~property~~;

30 (1) Property exempted from taxation as new or expanding businesses under
31 chapter 40-57.1; improvements

1 (2) Improvements to property under chapter 57-02.2; ~~or buildings and~~

2 (3) Buildings belonging to institutions of public charity, new single-family
3 residential or townhouse or condominium property, property used for early
4 childhood services, ~~or~~ and pollution abatement improvements, under section
5 57-02-08.

6 3. A taxing district may elect to levy the amount levied in dollars in the base year. Any
7 levy under this section must be specifically approved by a resolution approved by the
8 governing body of the taxing district. Before determining the levy limitation under this
9 section, the dollar amount levied in the base year must be:

10 a. Reduced by an amount equal to the sum determined by application of the base
11 year's calculated mill rate for that taxing district to the final base year taxable
12 valuation of any taxable property and property exempt by local discretion or
13 charitable status which is not included in the taxing district for the budget year but
14 was included in the taxing district for the base year.;

15 b. Increased by an amount equal to the sum determined by the application of the
16 base year's calculated mill rate for that taxing district to the final budget year
17 taxable valuation of any taxable property or property exempt by local discretion or
18 charitable status which was not included in the taxing district for the base year
19 but which is included in the taxing district for the budget year.;

20 c. Reduced to reflect expired temporary mill levy increases authorized by the
21 electors of the taxing district. For purposes of this subdivision, an expired
22 temporary mill levy increase does not include a school district general fund mill
23 rate ~~exceeding one hundred ten mills~~ approved by the electors which has expired
24 or has not received approval of electors for an extension ~~under subsection 2 of~~
25 ~~section 57-64-03.~~ and

26 d. (1) If the base year is a taxable year ~~before 2013~~ 2012, reduced ~~by~~ to reflect the
27 increase in the amount of state aid under chapter 15.1-27 from the base
28 year to the budget year, which is determined by multiplying the budget year
29 taxable valuation of the school district by the lesser of:

30 (1)(a) The base year mill rate of the school district minus
31 ~~sixty~~ sixty-three mills; or

1 (2)(b) ~~Fifty~~Fifty-three mills;

2 (2) If the base year is taxable year 2013 or 2014, reduced to reflect the
3 increase in the amount of state aid under chapter 15.1-27 from the base
4 year to the budget year, which is determined by multiplying the budget year
5 taxable valuation of the school district by:

6 (a) The base year mill rate of the school district minus three mills if the
7 budget year is taxable year 2015; or

8 (b) The base year mill rate of the school district minus six mills if the
9 budget year is taxable year 2016 or 2017; and

10 (3) If the base year is taxable year 2015, reduced to reflect the increase in the
11 amount of state aid under chapter 15.1-27 from the base year to the budget
12 year, which is determined by multiplying the budget year taxable valuation of
13 the school district by three mills.

14 4. In addition to any other levy limitation factor under this section, a taxing district may
15 increase its levy in dollars to reflect new or increased mill levies authorized by the
16 legislative assembly or authorized by the electors of the taxing district.

17 5. Under this section a taxing district may supersede any applicable mill levy limitations
18 otherwise provided by law; or a taxing district may levy up to the mill levy limitations
19 otherwise provided by law without reference to this section; ~~but the.~~ The provisions of
20 this section do not apply to the following:

21 a. Any irrevocable tax to pay bonded indebtedness levied pursuant to section 16 of
22 article X of the Constitution of North Dakota; or

23 b. The one-mill levy for the state medical center authorized by section 10 of article X
24 of the Constitution of North Dakota.

25 6. A school district choosing to determine its levy authority under this section may apply
26 subsection 3 only to the amount in dollars levied for general fund purposes under
27 section 57-15-14 or, if the levy in the base year included separate general fund and
28 special fund levies under sections 57-15-14 and 57-15-14.2, the school district may
29 apply subsection 3 to the total amount levied in dollars in the base year for both the
30 general fund and special fund accounts. School district levies under any section other

1 than section 57-15-14 may be made within applicable limitations but those levies are
2 not subject to subsection 3.

3 7. Optional levies under this section may be used by any city or county that has adopted
4 a home rule charter unless the provisions of the charter supersede state laws related
5 to property tax levy limitations.

6 **(Effective after the first two taxable years beginning after December 31, 2012)**

7 ~~Protection of taxpayers and taxing districts.~~ Each taxing district may levy the lesser of the
8 amount in dollars as certified in the budget of the governing body, or the amount in dollars as
9 allowed in this section, subject to the following:

- 10 1. No taxing district may levy more taxes expressed in dollars than the amounts allowed
11 by this section.
- 12 2. For purposes of this section:
 - 13 a. "Base year" means the taxing district's taxable year with the highest amount
14 levied in dollars in property taxes of the three taxable years immediately
15 preceding the budget year. For a park district general fund, the "amount levied in
16 dollars in property taxes" is the sum of amounts levied in dollars in property taxes
17 for the general fund under section 57-15-12 including any additional levy
18 approved by the electors, the insurance reserve fund under section 32-12.1-08,
19 the employee health care program under section 40-49-12, the public recreation
20 system under section 40-55-09 including any additional levy approved by the
21 electors, forestry purposes under section 57-15-12.1 except any additional levy
22 approved by the electors, pest control under section 4-33-11, and handicapped
23 person programs and activities under section 57-15-60;
 - 24 b. "Budget year" means the taxing district's year for which the levy is being
25 determined under this section;
 - 26 c. "Calculated mill rate" means the mill rate that results from dividing the base year
27 taxes levied by the sum of the taxable value of the taxable property in the base
28 year plus the taxable value of the property exempt by local discretion or
29 charitable status, calculated in the same manner as the taxable property; and
 - 30 d. "Property exempt by local discretion or charitable status" means property
31 exempted from taxation as new or expanding businesses under chapter 40-57.1;

1 improvements to property under chapter 57-02.2; or buildings belonging to
2 institutions of public charity, new single-family residential or townhouse or
3 condominium property, property used for early childhood services, or pollution-
4 abatement improvements under section 57-02-08.

5 3. A taxing district may elect to levy the amount levied in dollars in the base year. Any
6 levy under this section must be specifically approved by a resolution approved by the
7 governing body of the taxing district. Before determining the levy limitation under this
8 section, the dollar amount levied in the base year must be:

- 9 a. ~~Reduced by an amount equal to the sum determined by application of the base-~~
10 ~~year's calculated mill rate for that taxing district to the final base year taxable~~
11 ~~valuation of any taxable property and property exempt by local discretion or~~
12 ~~charitable status which is not included in the taxing district for the budget year but~~
13 ~~was included in the taxing district for the base year.~~
- 14 b. ~~Increased by an amount equal to the sum determined by the application of the~~
15 ~~base year's calculated mill rate for that taxing district to the final budget year~~
16 ~~taxable valuation of any taxable property or property exempt by local discretion or~~
17 ~~charitable status which was not included in the taxing district for the base year~~
18 ~~but which is included in the taxing district for the budget year.~~
- 19 c. ~~Reduced to reflect expired temporary mill levy increases authorized by the~~
20 ~~electors of the taxing district. For purposes of this subdivision, an expired~~
21 ~~temporary mill levy increase does not include a school district general fund mill~~
22 ~~rate exceeding one hundred ten mills which has expired or has not received~~
23 ~~approval of electors for an extension under subsection 2 of section 57-64-03.~~
- 24 d. ~~Increased, for a school district determining its levy limitation under this section,~~
25 ~~by the amount the school district's mill levy reduction grant under section~~
26 ~~57-64-02 for the base year exceeds the amount of the school district's mill levy~~
27 ~~reduction grant under section 57-64-02 for the budget year.~~
- 28 e. ~~Reduced for a school district determining its levy limitation under this section, by~~
29 ~~the amount the school district's mill levy reduction grant under section 57-64-02~~
30 ~~for the budget year exceeds the amount of the school district's mill levy reduction~~
31 ~~grant under section 57-64-02 for the base year.~~

- 1 4. ~~In addition to any other levy limitation factor under this section, a taxing district may~~
2 ~~increase its levy in dollars to reflect new or increased mill levies authorized by the~~
3 ~~legislative assembly or authorized by the electors of the taxing district.~~
- 4 5. ~~Under this section a taxing district may supersede any applicable mill levy limitations~~
5 ~~otherwise provided by law, or a taxing district may levy up to the mill levy limitations~~
6 ~~otherwise provided by law without reference to this section, but the provisions of this~~
7 ~~section do not apply to the following:~~
- 8 a. ~~Any irrevocable tax to pay bonded indebtedness levied pursuant to section 16 of~~
9 ~~article X of the Constitution of North Dakota.~~
- 10 b. ~~The one mill levy for the state medical center authorized by section 10 of article X~~
11 ~~of the Constitution of North Dakota.~~
- 12 6. ~~A school district choosing to determine its levy authority under this section may apply~~
13 ~~subsection 3 only to the amount in dollars levied for general fund purposes under~~
14 ~~section 57-15-14 or, if the levy in the base year included separate general fund and~~
15 ~~special fund levies under sections 57-15-14 and 57-15-14.2, the school district may~~
16 ~~apply subsection 3 to the total amount levied in dollars in the base year for both the~~
17 ~~general fund and special fund accounts. School district levies under any section other~~
18 ~~than section 57-15-14 may be made within applicable limitations but those levies are~~
19 ~~not subject to subsection 3.~~
- 20 7. ~~Optional levies under this section may be used by any city or county that has adopted~~
21 ~~a home rule charter unless the provisions of the charter supersede state laws related~~
22 ~~to property tax levy limitations.~~

23 **SECTION 16. AMENDMENT.** Section 57-15-14 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **~~57-15-14. (Effective for the first two taxable years beginning after December 31, 2012)~~**
26 **Voter approval of excess levies in school districts.**

- 27 1. Unless authorized by the electors of the school district in accordance with this section,
28 a school district may not impose greater levies greater than those permitted under
29 section 57-15-14.2.
- 30 a. In any school district having a total population in excess of four thousand or
31 more, according to the last federal decennial census, there may be levied any

1 specific number of mills that upon resolution of the school board has been
2 submitted to and approved by a majority of the qualified electors voting upon the
3 question at ~~any~~ regular or special school district election.

- 4 b. In any school district having a ~~total~~ population of ~~fewer~~less than four thousand,
5 there may be levied any specific number of mills that upon resolution of the
6 school board has been approved by fifty-five percent of the qualified electors
7 voting upon the question at ~~any~~ regular or special school district election.
- 8 c. After June 30, 2009, in any school district election for approval by electors of
9 increased levy authority under subsection 1 or 2, the ballot must specify the
10 number of mills proposed for approval, and the number of taxable years for which
11 that approval is to apply. After June 30, 2009, approval by electors of increased
12 levy authority under subsection 1 or 2 may not be effective for more than ten
13 taxable years.

- 14 d. The authority for a levy of up to a specific number of mills under this section
15 approved by electors of a school district before July 1, 2009, is terminated
16 effective for taxable years after 2015. If the electors of a school district subject to
17 this subsection have not approved a levy for taxable years after 2015 of up to a
18 specific number of mills under this section by December 31, 2015, the school
19 district levy limitation for subsequent years is subject to the limitations under
20 section 57-15-01.1 or this section.

- 21 e. ~~For~~The provisions of this subdivision apply to taxable years beginning after
22 2012:

- 23 (1) The authority for a levy of up to a specific number of mills, approved by
24 electors of a school district for any period of time that includes a taxable
25 year before 2009, must be reduced by one hundred fifteen mills, as a
26 precondition of receiving state aid in accordance with chapter 15.1-27.
- 27 (2) The authority for a levy of up to a specific number of mills, approved by
28 electors of a school district for any period of time that does not include a
29 taxable year before 2009, must be reduced by forty mills, as a precondition
30 of receiving state aid in accordance with chapter 15.1-27, except that for
31 taxable year 2015, the reduction required by this paragraph must be

1 forty-three mills and for taxable years beginning after 2015, the reduction
2 required by this paragraph must be forty-six mills.

3 (3) (a) The authority for a levy of up to a specific number of mills, placed on
4 the ballot in a school district election for electoral approval of
5 increased levy authority under subdivision a or b, after June 30, 2013,
6 must be stated as a specific number of mills of general fund levy
7 authority and must include a statement that the statutory school
8 district general fund levy limitation is seventy mills on the dollar of the
9 taxable valuation of the school district.

10 (b) The authority for a levy of up to a specific number of mills, placed on
11 the ballot in a school district election for electoral approval of
12 increased levy authority under subdivision a or b, after June 30, 2015,
13 must be stated as a specific number of mills of general fund levy
14 authority and must include a statement that the statutory school
15 district general fund levy limitation is sixty-seven mills on the dollar of
16 the taxable valuation of the school district.

17 (c) The authority for a levy of up to a specific number of mills, placed on
18 the ballot in a school district election for electoral approval of
19 increased levy authority under subdivision a or b, after June 30, 2016,
20 must be stated as a specific number of mills of general fund levy
21 authority and must include a statement that the statutory school
22 district general fund levy limitation is sixty-four mills on the dollar of
23 the taxable valuation of the school district.

24 f. The authority for an unlimited levy approved by electors of a school district before
25 July 1, 2009, is terminated effective for taxable years after 2015. If the electors of
26 a school district subject to this subsection have not approved a levy of up to a
27 specific number of mills under this section by December 31, 2015, the school
28 district levy limitation for subsequent years is subject to the limitations under
29 section 57-15-01.1 or this section.

30 2. a. The question of authorizing or discontinuing such specific number of mills
31 authority in any school district must be submitted to the qualified electors at the

1 next regular election, upon resolution of the school board or upon the filing with
2 the school board of a petition containing the signatures of qualified electors of the
3 district equal in number to ten percent of the number of electors who cast votes in
4 the most recent election in the school district. No fewer than twenty-five
5 signatures are required.

6 b. The approval of discontinuing such authority does not affect the tax levy in the
7 calendar year in which the election is held.

8 c. The election must be held in the same manner and subject to the same
9 conditions as provided in this section for the first election upon the question of
10 authorizing the mill levy.

11 3. This section does not apply to levies approved by the electors of the district necessary
12 to pay principal and interest on the bonded debt of the district, including the levy
13 necessary to pay principal and interest on any bonded debt incurred before July 1,
14 2013, under section 57-15-17.1, as it existed during the 2012 taxable year.

15 ~~**(Effective after the first two taxable years beginning after December 31, 2012) General**~~
16 ~~**fund levy limitations in school districts.**~~ The aggregate amount levied each year for the
17 purposes listed in section 57-15-14.2 by any school district, except the Fargo school district,
18 may not exceed the amount in dollars which the school district levied for the prior school year
19 plus twelve percent up to a general fund levy of one hundred eighty-five mills on the dollar of
20 the taxable valuation of the district, except that:

21 1. In any school district having a total population in excess of four thousand according to
22 the last federal decennial census there may be levied any specific number of mills that
23 upon resolution of the school board has been submitted to and approved by a majority
24 of the qualified electors voting upon the question at any regular or special school
25 district election.

26 2. In any school district having a total population of fewer than four thousand, there may
27 be levied any specific number of mills that upon resolution of the school board has
28 been approved by fifty-five percent of the qualified electors voting upon the question at
29 any regular or special school election.

30 3. After June 30, 2009, in any school district election for approval by electors of
31 increased levy authority under subsection 1 or 2, the ballot must specify the number of

1 mills proposed for approval, and the number of taxable years for which that approval is
2 to apply. After June 30, 2009, approval by electors of increased levy authority under
3 subsection 1 or 2 may not be effective for more than ten taxable years.

4 4. The authority for a levy of up to a specific number of mills under this section approved
5 by electors of a school district before July 1, 2009, is terminated effective for taxable
6 years after 2015. If the electors of a school district subject to this subsection have not
7 approved a levy for taxable years after 2015 of up to a specific number of mills under
8 this section by December 31, 2015, the school district levy limitation for subsequent
9 years is subject to the limitations under section 57-15-01.1 or this section.

10 5. The authority for an unlimited levy approved by electors of a school district before
11 July 1, 2009, is terminated effective for taxable years after 2015. If the electors of a
12 school district subject to this subsection have not approved a levy of up to a specific
13 number of mills under this section by December 31, 2015, the school district levy
14 limitation for subsequent years is subject to the limitations under section 57-15-01.1 or
15 this section.

16 The question of authorizing or discontinuing such specific number of mills authority in any
17 school district must be submitted to the qualified electors at the next regular election upon
18 resolution of the school board or upon the filing with the school board of a petition containing
19 the signatures of qualified electors of the district equal in number to ten percent of the number
20 of electors who cast votes in the most recent election in the school district. However, not fewer
21 than twenty-five signatures are required. However, the approval of discontinuing such authority
22 does not affect the tax levy in the calendar year in which the election is held. The election must
23 be held in the same manner and subject to the same conditions as provided in this section for
24 the first election upon the question of authorizing the mill levy.

25 **SECTION 17. AMENDMENT.** Section 57-15-14.2 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **57-15-14.2. (Effective for the first two taxable years beginning after December 31,**
28 **2012) School district levies.**

29 1. a. For taxable years after 2013 and 2014, the board of a school district may levy a
30 tax not exceeding the amount in dollars that the school district levied for the prior

- 1 year, plus twelve percent, up to a levy of seventy mills on the taxable valuation of
2 the district, for any purpose related to the provision of educational services.
- 3 b. For taxable years after 2015, the board of a school district may levy a tax not
4 exceeding the amount in dollars that the school district levied for the prior year,
5 plus twelve percent, up to a levy of sixty-seven mills on the taxable valuation of
6 the district, for any purpose related to the provision of educational services.
- 7 c. For taxable years after 2015, the board of a school district may levy a tax not
8 exceeding the amount in dollars that the school district levied for the prior year,
9 plus twelve percent, up to a levy of sixty-four mills on the taxable valuation of the
10 district, for any purpose related to the provision of educational services.
- 11 d. The proceeds of this a levy under this section must be deposited into the school
12 district's general fund and used in accordance with this subsection. The proceeds
13 may not be transferred into any other fund.
- 14 2. For taxable years after 2013, the board of a school district may levy no more than
15 twelve mills on the taxable valuation of the district, for miscellaneous purposes and
16 expenses. The proceeds of this levy must be deposited into a special fund known as
17 the miscellaneous fund and used in accordance with this subsection. The proceeds
18 may not be transferred into any other fund.
- 19 3. The board of a school district may levy no more than three mills on the taxable
20 valuation of the district for deposit into a special reserve fund, in accordance with
21 chapter 57-19.
- 22 4. The board of a school district may levy no more than the number of mills necessary,
23 on the taxable valuation of the district, for the payment of tuition, in accordance with
24 section 15.1-29-15. The proceeds of this levy must be deposited into a special fund
25 known as the tuition fund and used in accordance with this subsection. The proceeds
26 may not be transferred into any other fund.
- 27 5. Nothing in this section limits the board of a school district from levying:
- 28 a. Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and
29 b. Mills necessary to pay principal and interest on the bonded debt of the district,
30 including the mills necessary to pay principal and interest on any bonded debt

1 incurred before July 1, 2013 under section 57-15-17.1 ~~before July 1, 2013, as it~~
2 existed during the 2012 taxable year.

3 6. ~~For the taxable year 2013 only, the board of a school district may levy, for the~~
4 purposes described in subsections 1 and 2, a tax not exceeding the amount in dollars
5 determined under this subsection, plus twelve percent, up to a combined levy of
6 eighty two mills. For purposes of this subsection, the allowable increase in dollars is
7 determined by multiplying the 2013 taxable valuation of the district by the sum of sixty
8 mills plus the number of mills levied in 2012 for miscellaneous expenses under
9 sections ~~57-15-14.5 and 57-15-17.1.~~

10 **~~(Effective after the first two taxable years beginning after December 31, 2012) Mill-~~**
11 **~~levies requiring board action -- Proceeds to general fund account.~~**

- 12 1. ~~A school board of any school district may levy an amount sufficient to cover general~~
13 ~~expenses, including the costs of the following:~~
- 14 a. ~~Board and lodging for high school students as provided in section 15.1-30-04.~~
 - 15 b. ~~The teachers' retirement fund as provided in section 15-39.1-28.~~
 - 16 c. ~~Tuition for students in grades seven through twelve as provided in section~~
17 ~~15.1-29-15.~~
 - 18 d. ~~Special education program as provided in section 15.1-32-20.~~
 - 19 e. ~~The establishment and maintenance of an insurance reserve fund for insurance~~
20 ~~purposes as provided in section 32-12.1-08.~~
 - 21 f. ~~A final judgment obtained against a school district.~~
 - 22 g. ~~The district's share of contribution to the old age survivors' fund and matching~~
23 ~~contribution for the social security fund as provided by chapter 52-09 and to~~
24 ~~provide the district's share of contribution to the old age survivors' fund and~~
25 ~~matching contribution for the social security fund for contracted employees of a~~
26 ~~multidistrict special education board.~~
 - 27 h. ~~The rental or leasing of buildings, property, or classroom space. Minimum state~~
28 ~~standards for health and safety applicable to school building construction shall~~
29 ~~apply to any rented or leased buildings, property, or classroom space.~~
 - 30 i. ~~Unemployment compensation benefits.~~

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- 1 j. ~~The removal of asbestos substances from school buildings or the abatement of~~
2 ~~asbestos substances in school buildings under any method approved by the~~
3 ~~United States environmental protection agency and any repair, replacement, or~~
4 ~~remodeling that results from such removal or abatement, any remodeling~~
5 ~~required to meet specifications set by the Americans with Disabilities Act~~
6 ~~accessibility guidelines for buildings and facilities as contained in the appendix to~~
7 ~~28 CFR 36, any remodeling required to meet requirements set by the state fire~~
8 ~~marshal during the inspection of a public school, and for providing an alternative~~
9 ~~education program as provided in section 57-15-17.1.~~
- 10 k. ~~Participating in cooperative career and technical education programs approved~~
11 ~~by the state board.~~
- 12 l. ~~Maintaining a career and technical education program approved by the state~~
13 ~~board and established only for that school district.~~
- 14 m. ~~Paying the cost of purchasing, contracting, operating, and maintaining~~
15 ~~schoolbuses.~~
- 16 n. ~~Establishing and maintaining school library services.~~
- 17 o. ~~Equipping schoolbuses with two-way communications and central station~~
18 ~~equipment and providing for the installation and maintenance of such equipment.~~
- 19 p. ~~Establishing free public kindergartens in connection with the public schools of the~~
20 ~~district for the instruction of resident children below school age during the regular~~
21 ~~school term.~~
- 22 q. ~~Establishing, maintaining, and conducting a public recreation system.~~
- 23 r. ~~The district's share of contribution to finance an interdistrict cooperative~~
24 ~~agreement authorized by section 15.1-09-40.~~
- 25 2. ~~This limitation does not apply to mill levies pursuant to subdivisions a, c, f, and j of~~
26 ~~subsection 1. If a school district maintained a levy to finance either its participation in a~~
27 ~~cooperative career and technical education program or its sponsorship of~~
28 ~~single-district career and technical education programs prior to July 1, 1983, and the~~
29 ~~district discontinues its participation in or sponsorship of those career and technical~~
30 ~~education programs, that district must reduce the proposed aggregated expenditure~~

1 amount for which its general fund levy is used by the dollar amount raised by its prior
2 levy for the funding of those programs.

3 ~~3. All proceeds of any levy established pursuant to this section must be placed in the~~
4 ~~school district's general fund account and may be expended to achieve the purposes~~
5 ~~for which the taxes authorized by this section are levied. Proceeds from levies~~
6 ~~established pursuant to this section and funds provided to school districts pursuant to~~
7 ~~chapter 15.1-27 may not be transferred to the building fund within the school district.~~

8 **SECTION 18. AMENDMENT.** Section 57-15-17 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **57-15-17. (~~Effective through June 30, 2015~~) Disposition of building fund tax.**

11 Revenue raised for building purposes shall be disposed of as follows:

12 1. a. All revenue accruing from appropriations or tax levies for a school district building
13 fund, together with ~~such amounts~~any amount as may be realized for building
14 purposes from all other sources, must be placed in a separate fund known as a
15 school building fund and must be:

16 (1) Be deposited, held, or invested in the same manner as the sinking funds of
17 such school district; or in

18 (2) Used for the purchase of shares or securities of federal or state-chartered
19 savings and loan associations, within the limits of federal insurance.

20 b. ~~The funds~~Moneys in the building fund may only be used for ~~the following~~
21 ~~purposes~~:

22 (1) The construction of school district buildings and facilities;

23 (2) The renovation, repair, or expansion of school district buildings and facilities;

24 (3) The improvement of school district buildings, facilities, and real property;

25 (4) The leasing of buildings and facilities;

26 (5) The payment of rentals upon contracts with the state board of public school
27 education;

28 (6) The payment of rentals upon contracts with municipalities for career and
29 technical education facilities financed pursuant to chapter 40-57; and

30 (7) The payment of principal, premiums, and interest on bonds issued in
31 accordance with subsection 7 of section 21-03-07.

- 1 c. The custodian of the funds may pay out the funds only upon order of the school
2 board, signed by the president and the business manager of the school district.
3 The order must recite upon its face the purpose for which payment is made.
- 4 2. Any moneys remaining in a ~~school~~ building fund after the completion of the payments
5 for any school building project ~~which~~that has cost seventy-five percent or more of the
6 amount in ~~such~~the building fund at the time of letting the contracts ~~therefor shall, must~~
7 be returned to the general fund of the school district, ~~upon the order of the school~~
8 board.
- 9 3. ~~The governing body of any~~board of a school district may pay into the general fund of
10 the school district any moneys ~~which~~that have remained in the ~~school~~ building fund for
11 a ~~period of ten years or more, and such district may include the same as a.~~ The board
12 may include this amount as part of its cash on hand in making up its budget for the
13 ensuing year. In determining what amounts have remained in ~~said~~the fund for ten
14 years or more, all payments ~~which~~that have been ~~paid from the school~~made from the
15 building fund for building purposes ~~shall~~must be considered as having been paid from
16 the funds first acquired.
- 17 4. a. ~~Whenever~~if collections from the taxes levied for the current budget and other
18 income are insufficient to meet the requirements for general operating expenses,
19 ~~a majority of the governing body~~the board of a school district may transfer
20 unobligated funds from the ~~school~~ building fund into the general fund of the
21 school district, if the school district has issued certificates of indebtedness equal
22 to fifty percent of the outstanding uncollected general fund property tax. ~~No~~
23 school district
- 24 b. A board may not transfer funds from the ~~school~~ building fund into the general
25 fund for more than two years.

26 **~~(Effective after June 30, 2015) Disposition of building fund tax.~~** Revenue raised for
27 ~~building purposes shall be disposed of as follows:~~

- 28 1. a. ~~All revenue accruing from appropriations or tax levies for a school building fund~~
29 ~~together with such amounts as may be realized for building purposes from all~~
30 ~~other sources must be placed in a separate fund known as a school building fund~~
31 ~~and must be deposited, held, or invested in the same manner as the sinking~~

1 funds of such school district or in the purchase of shares or securities of federal
2 or state chartered savings and loan associations within the limits of federal
3 insurance.

4 b. The funds may only be used for the following purposes:

5 (1) The erection of new school buildings or facilities, or additions to old school
6 buildings or facilities, or the making of major repairs to existing buildings or
7 facilities, or improvements to school land and site. For purposes of this
8 paragraph, facilities may include parking lots, athletic complexes, or any
9 other real property owned by the school district.

10 (2) The payment of rentals upon contracts with the state board of public school
11 education.

12 (3) The payment of rentals upon contracts with municipalities for career and
13 technical education facilities financed pursuant to chapter 40-57.

14 (4) Within the limitations of school plans as provided in subsection 2 of section
15 57-15-16.

16 (5) The payment of principal, premium, if any, and interest on bonds issued
17 pursuant to subsection 7 of section 21-03-07.

18 (6) The payment of premiums for fire and allied lines, liability, and multiple peril
19 insurance on any building and its use, occupancy, fixtures, and contents.

20 e. The custodian of the funds may pay out the funds only upon order of the school
21 board, signed by the president and the business manager of the school district.

22 The order must recite upon its face the purpose for which payment is made.

23 2. Any moneys remaining in a school building fund after the completion of the payments
24 for any school building project which has cost seventy five percent or more of the
25 amount in such building fund at the time of letting the contracts therefor shall be
26 returned to the general fund of the school district upon the order of the school board.

27 3. The governing body of any school district may pay into the general fund of the school
28 district any moneys which have remained in the school building fund for a period of ten
29 years or more, and such district may include the same as a part of its cash on hand in
30 making up its budget for the ensuing year. In determining what amounts have
31 remained in said fund for ten years or more, all payments which have been paid from

1 the school building fund for building purposes shall be considered as having been paid
2 from the funds first acquired.

3 4. Whenever collections from the taxes levied for the current budget and other income
4 are insufficient to meet the requirements for general operating expenses, a majority of
5 the governing body of a school district may transfer unobligated funds from the school
6 building fund into the general fund of the school district if the school district has issued
7 certificates of indebtedness equal to fifty percent of the outstanding uncollected
8 general fund property tax. No school district may transfer funds from the school
9 building fund into the general fund for more than two years.

10 **SECTION 19. AMENDMENT.** Section 57-15-31 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **~~57-15-31. (Effective for the first two taxable years beginning after December 31, 2012)~~**

13 **Determination of levy.**

14 1. The amount to be levied by any county, city, township, school district, park district, or
15 other municipality authorized to levy taxes shall must be computed by deducting from
16 the amount of estimated expenditures for the current fiscal year as finally determined,
17 plus the required reserve fund determined upon by the governing board from the past
18 experience of the taxing district, the total of the following items:

- 19 4. a. The available surplus consisting of the free and unencumbered cash balance.;
- 20 2. b. Estimated revenues from sources other than direct property taxes.;
- 21 3. c. The total estimated collections from tax levies for previous years.;
- 22 4. d. ~~Such expenditures as are to~~ Expenditures that must be made from bond sources.;
- 23 5. e. The amount of distributions received from an economic growth increment pool
24 under section 57-15-61.;; and
- 25 6. f. The estimated amount to be received from payments in lieu of taxes on a project
26 under section 40-57.1-03.

27 2. Allowance may be made for a permanent delinquency or loss in tax collection not to
28 exceed five percent of the amount of the levy.

29 **~~(Effective after the first two taxable years beginning after December 31, 2012)~~**

30 **Determination of levy.** ~~The amount to be levied by any county, city, township, school district,~~
31 ~~park district, or other municipality authorized to levy taxes shall be computed by deducting from~~

1 the amount of estimated expenditures for the current fiscal year as finally determined, plus the
2 required reserve fund determined upon by the governing board from the past experience of the
3 taxing district, the total of the following items:

- 4 1. The available surplus consisting of the free and unencumbered cash balance.
- 5 2. Estimated revenues from sources other than direct property taxes.
- 6 3. The total estimated collections from tax levies for previous years.
- 7 4. Such expenditures as are to be made from bond sources.
- 8 5. The amount of distributions received from an economic growth increment pool under
9 section 57-15-61.
- 10 6. The estimated amount to be received from payments in lieu of taxes on a project
11 under section 40-57.1-03.
- 12 7. The amount reported to a school district by the superintendent of public instruction as
13 the school district's mill levy reduction grant for the year under section 57-64-02.

14 Allowance may be made for a permanent delinquency or loss in tax collection not to exceed five-
15 percent of the amount of the levy.

16 **SECTION 20. AMENDMENT.** Section 57-19-01 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 ~~**57-19-01. (Effective through June 30, 2015) School district may establish-**~~
19 **Establishment of special reserve fund.**

20 Each school district in this state may establish and maintain a special reserve fund, subject
21 to the limitations in section 57-15-14.2. The balance of moneys in the fund may not exceed that
22 which could be produced by a levy of fifteen mills in that district for that year.

23 ~~**(Effective after June 30, 2015) School district may establish special reserve fund.-**~~

24 ~~Each school district in this state may establish and maintain a special reserve fund which must~~
25 ~~be separate and distinct from all other funds now authorized by law and which may not exceed~~
26 ~~in amount at any one time the sum which could be produced by a levy of the maximum mill levy~~
27 ~~allowed by law in that district for that year.~~

28 **SECTION 21. AMENDMENT.** Section 57-19-02 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **57-19-02. (Effective through June 30, 2015) Special reserve fund - Separate trust**
2 **fundTransfer.**

3 1. Moneys in the special reserve fund may be deposited, held, or invested in the same
4 manner as the sinking fund of the district or in the purchase of shares or securities of
5 federal savings and loan associations or state-chartered building and loan
6 associations, within the limits of federal insurance.

7 2. Each July first, the board of the school district shall transfer from the special reserve
8 fund to the district's general fund any amount that exceeds the limitation in section
9 57-19-01.

10 ~~**(Effective after June 30, 2015) Special reserve fund - Separate trust fund.** The special-~~
11 ~~reserve fund is a separate trust fund for the use and benefit of the school district, to be drawn-~~
12 ~~upon as provided in this chapter. Moneys in the fund may be deposited, held, or invested in the~~
13 ~~same manner as the sinking fund of the district or in the purchase of shares or securities of~~
14 ~~federal savings and loan associations or state-chartered building and loan associations, within~~
15 ~~the limits of federal insurance. The school district business manager shall annually, upon a~~
16 ~~resolution of the school board, transfer to the school district general fund any part or all of the~~
17 ~~investment income or interest earned by the principal amount of the school district's special~~
18 ~~reserve fund.~~

19 **SECTION 22. AMENDMENT.** Section 57-19-09 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **57-19-09. (Effective through June 30, 2015) WhenSpecial reserve fund may be**
22 **transferredCorrection of error.**

23 Anylf a school district which has heretofore by mistake, or for any other reason, considered
24 all or any part of aits special reserve fund, as provided for in chapter 57-19, in determining theits
25 budget for the school district which hasand deducted all or any part of the funds in suchits
26 special reserve fund from the amount necessary to be levied for any schoola fiscal year, the
27 district may transfer from theits special reserve fund into theits general fund all or any part of
28 such amounts which have beenthe amount that was so considered, contrary to the provisions of
29 section 57-19-05.

30 ~~**(Effective after June 30, 2015) When fund may be transferred.** Any school district which~~
31 ~~has heretofore by mistake, or for any other reason, considered all or any part of a special~~

1 ~~reserve fund, as provided for in chapter 57-19, in determining the budget for the school district-~~
2 ~~which has deducted all or any part of the funds in such special reserve fund from the amount~~
3 ~~necessary to be levied for any school fiscal year, may transfer from the special reserve fund into~~
4 ~~the general fund all or any part of such amounts which have been so considered contrary to the~~
5 ~~provisions of section 57-19-05. Any school district special reserve fund and the tax levy therefor~~
6 ~~may be discontinued by a vote of sixty percent of the electors of the school district voting upon~~
7 ~~the question at any special or general election. Any moneys remaining unexpended in such~~
8 ~~special reserve fund must be transferred to the building or general fund of the school district.~~
9 ~~The discontinuance of a special reserve fund shall not decrease the school district tax levies~~
10 ~~otherwise provided for by law by more than twenty percent. A special reserve fund and the tax~~
11 ~~levy therefor which has been discontinued may be reinstated by a vote of sixty percent of the~~
12 ~~electors of the school district voting upon the question at any special or general election.~~

13 **SECTION 23. SCHOOL DISTRICT REPORTING REVIEW COMMITTEE - STUDY.**

- 14 1. The superintendent of public instruction shall serve as the chairman of the school
15 district reporting review committee. During the 2015-16 interim, the committee shall
16 review statutory and regulatory reporting requirements imposed upon school districts,
17 with a view toward eliminating reporting requirements that are duplicative or
18 unnecessary and streamlining the reporting process.
- 19 2. The school district reporting review committee consists of:
- 20 a. Six individuals, selected by the superintendent of public instruction and
21 representing small, medium, and large school districts, provided each individual
22 must be a school district superintendent or a business manager;
- 23 b. Four staff members from the department of public instruction, who are familiar
24 with state and federal school district reporting requirements;
- 25 c. The chairman of the senate education committee or the chairman's designee;
- 26 d. The chairman of the house education committee or the chairman's designee; and
- 27 e. One member of the legislative assembly from the minority party, appointed by the
28 chairman of the legislative management.
- 29 3. Members of the legislative assembly serving on the committee are entitled to
30 compensation at the rate provided for in accordance with section 54-03-20 and to

1 reimbursement for expenses, as provided by law for state officers, if the members are
2 attending meetings or performing duties required by the appointment.

3 4. Before July 1, 2016, the superintendent of public instruction shall report the
4 committee's findings and recommendations to the legislative management.

5 **SECTION 24. ENGLISH LANGUAGE LEARNER GRANTS.**

6 1. During the 2015-17 biennium, the superintendent of public instruction shall expend up
7 to \$2,500,000 from the grants - other grants line item in the appropriation bill for the
8 superintendent of public instruction, as approved by the sixty-fourth legislative
9 assembly, for the purpose of providing grants to the six school districts that serve the
10 largest number of first and second level English language learners in kindergarten
11 through grade twelve.

12 2. In order to determine the amount that a school district may receive under this section,
13 the superintendent of public instruction shall provide a pro rata share of the available
14 grant dollars to each eligible district based upon the total number of first and second
15 level English language learners enrolled in the six districts.

16 3. A district may expend moneys received under this section only for the purpose of
17 enhancing services to first and second level English language learners. Permissible
18 purposes include the hiring of additional teachers, interpreters, and social workers for
19 first and second level English language learners and the provision of other ancillary
20 support services and programs, approved by the superintendent of public instruction.

21 4. The superintendent of public instruction may not award more than fifty percent of the
22 funds available under this section during the first year of the biennium.

23 **SECTION 25. EXEMPTION - AUTISM SPECTRUM DISORDER - TECHNOLOGY GRANT.**

24 The unexpended amount remaining from the transfer of \$250,000, as permitted in section 61 of
25 chapter 13 of the 2013 Session Laws, is not subject to the provisions of section 54-44.1-11 at
26 the end of the 2013-15 biennium and may be continued into the 2015-17 biennium, for the
27 purpose of continuing the grant to an institution implementing a certificate program that
28 prepares individuals with autism spectrum disorder for employment in the technology sector.

29 **SECTION 26. EXEMPTION - CONTINGENT FUNDING - 2013-15 BIENNIUM -**

30 **ADVANCED PLACEMENT COURSES - DELIVERY AND PARTICIPATION.** Notwithstanding
31 section 54-44.1-11, if any moneys remain in the grants - state school aid line item after the

1 superintendent of public instruction complies with all statutory payment obligations imposed for
2 the 2013-15 biennium, the superintendent shall use the first \$1,252,627, or so much of that
3 amount as may be necessary, for the purpose of enhancing the delivery and the participation of
4 students and teachers in advanced placement courses, for the biennium beginning with the
5 effective date of this Act and ending June 30, 2017.

6 **SECTION 27. EXEMPTION - CONTINGENT FUNDING - 2013-15 BIENNIUM - EARLY**
7 **CHILDHOOD EDUCATION IMPACT STUDY.** Notwithstanding section 54-44.1-11, if any
8 moneys remain in the grants - state school aid line item after the superintendent of public
9 instruction complies with all statutory payment obligations imposed for the 2013-15 biennium,
10 the superintendent shall use the first \$200,000, or so much of the sum as may be necessary, for
11 the purpose of contracting with a research institution in this state to study the impact of early
12 childhood education provider grants, for the biennium beginning with the effective date of this
13 Act and ending June 30, 2017.

14 **SECTION 28. REPEAL.** Sections 15.1-27-04, 15.1-27-07.2, 15.1-27-11, 15.1-27-22.1,
15 15.1-27-42, 15.1-27-43, 15.1-27-44, 15.1-32-20, 57-15-14.4, 57-15-14.5, 57-15-17.1, and
16 57-19-04 and chapter 57-64 of the North Dakota Century Code are repealed.

17 **SECTION 29. EXPIRATION DATE.** Section 12 of this Act is effective through June 30,
18 2017, and after that date is ineffective.

19 **SECTION 30. EMERGENCY.** Sections 25 through 27 of this Act are declared to be an
20 emergency measure.