

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1013

Page 1, line 3, after the semicolon insert "and" and replace "4" with "1"

Page 1, line 4, replace "15-40.1-07.8" with "15-40.1-16", replace "4" with "1", and replace "15.1-27-11" with "15.1-27-26"

Page 1, line 5, replace "supplemental" with "transportation"

Page 1, line 6, remove "; and to declare an emergency"

Page 1, line 16, replace "12,170,316" with "9,085,148"

Page 1, line 17, replace "17,031,193" with "15,210,080"

Page 1, line 18, replace "534,140" with "344,140"

Page 1, remove line 19

Page 1, line 20, replace "461,035,668" with "488,166,148"

Page 1, remove line 21

Page 1, line 22, replace "3,450,000" with "2,200,000"

Page 2, line 1, replace "149,350,263" with "149,420,263"

Page 2, line 2, replace "100,000" with "50,000"

Page 2, remove line 3

Page 2, line 4, replace "807,524,355" with "781,613,499"

Page 2, line 5, replace "237,044,955" with "232,691,705"

Page 2, line 6, replace "570,479,400" with "548,921,794"

Page 2, after line 6, insert:

"Subdivision 2.

DIVISION OF INDEPENDENT STUDY

Salaries and wages	\$3,280,718
Operating expenses	1,718,498
Equipment	190,000
Capital improvements	55,000
Total all funds	\$5,244,216
Less estimated income	<u>4,353,250</u>
Total general fund appropriation	\$890,966"

Page 2, line 7, replace "2" with "3"

Page 2, line 16, replace "3" with "4"

Page 2, line 18, replace "4,814,058" with "4,911,183"

Page 2, line 22, replace "6,075,925" with "6,173,050"

Page 2, line 24, replace "4,980,301" with "5,077,426"

Page 2, line 25, replace "4" with "5"

Page 2, line 27, replace "2,668,958" with "2,742,721"

Page 2, line 28, replace "652,238" with "662,238"

Page 2, line 31, replace "3,406,612" with "3,490,375"

Page 3, line 2, replace "2,048,791" with "2,132,554"

Page 3, line 3, replace "580,623,148" with "560,137,396"

Page 3, line 5, replace "821,720,405" with "801,234,653"

Page 3, replace lines 18 through 31 with:

"SECTION 4. RED RIVER VALLEY WRITING PROJECT. The operating expenses line item in subdivision 1 of section 1 of this Act includes \$20,000 from the general fund which must be used to support the Red River valley writing project during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. STANDARDS-BASED STUDENT TESTING. The operating expenses line item in subdivision 1 of section 1 of this Act includes \$1,217,928 from the general fund which must be used to develop and administer student tests aligned with the state content standards and to report the results of the tests during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 6. COMPENSATION PAYMENTS TO TEACHERS AT STATE INSTITUTIONS. In addition to amounts otherwise appropriated for salary increases for teachers at the division of independent study, the school for the deaf, and the school for the blind, the amounts appropriated for salaries and wages in subdivisions 2, 4, and 5 of section 1 of this Act include the following general fund amounts which must be used to increase teacher compensation by \$1,750 per year the first year of the biennium and by an additional \$1,750 per year the second year of the biennium:

Division of independent study	\$95,550
School for the deaf	\$97,125
School for the blind	\$73,763"

Page 4, remove lines 1 through 6

Page 4, line 10, replace "129.95" with "94.25"

Page 5, line 6, remove "These grants must be administered under the direction of the educational"

Page 5, remove line 7

Page 5, line 10, replace "\$450,000" with "\$650,000"

Page 5, line 21, replace "2" with "3"

Page 5, line 25, replace "4" with "5"

Page 5, replace lines 28 through 30 with:

"SECTION 15. AMENDMENT. If House Bill No. 1045 does not become effective, subsection 1 of section 15-40.1-16 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

1. There must be paid from state funds to each school district providing schoolbus transportation in contract schoolbuses or in district-owned and operated schoolbuses, and to school districts with students riding commercial buses to and from school, the following amounts:
 - a. For schoolbuses and school vehicles transporting students who live outside the incorporated limits of the city in which the students' school is located, a sum equal to twenty-five cents per mile [1.61 kilometers] for vehicles having a capacity of nine or fewer students and sixty-seven cents per mile [1.61 kilometers] for schoolbuses having a capacity of ten or more students ~~and~~, for schoolbuses and school vehicles having a capacity of nine or fewer students and transporting students who live within the incorporated limits of a city in which the students' school is located, a sum equal to twenty-five cents per mile [1.61 kilometers], and for schoolbuses and school vehicles having a capacity of ten or more students and transporting students who live within the incorporated limits of a city in which the students' school is located, a sum equal to thirty-five cents per mile [1.61 kilometers]. School districts qualifying for payments for buses having a capacity of ten or more students are entitled to an amount equal to forty cents per day for each public school student living outside the city limits who is transported in such buses.
 - b. For students who ride schoolbuses or commercial buses to or from school and who live within the incorporated limits of the city within which the school that the students attend is located, a sum equal to twenty cents per student per one-way trip.

The mileage payments provided for in this subsection must be made to each school district for transporting students to and from school. Payments may be made only to school districts operating schoolbuses in accordance with the laws of this state relating to standards for schoolbuses, and to the qualifications of schoolbus drivers. Certification as to compliance with the laws of this state in regard to schoolbuses and their drivers must be made in such manner and detail as the superintendent of public instruction may require at the time an application is made for payments provided under this subsection."

Page 6, remove lines 1 through 4

Page 6, replace lines 12 through 20 with:

"SECTION 17. AMENDMENT. Subsection 1 of section 15.1-27-26 of the North Dakota Century Code as created by House Bill No. 1045, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

1. Each school district providing transportation to students in contract schoolbuses or in district-owned and operated schoolbuses, and each school district with students riding commercial buses to and from school is entitled to receive the following amounts:
 - a. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and transporting students who reside outside the incorporated limits of the city in which the students' school is located.
 - b. Sixty-seven cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of ten or more students and transporting students who reside outside the incorporated limits of the city in which the students' school is located.
 - c. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and transporting students who reside within the incorporated limits of a city in which the students' school is located.
 - d. Thirty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of ten or more students and transporting students who reside within the incorporated limits of a city in which the students' school is located.
 - e. Twenty cents for each one-way trip by a student who rides a schoolbus or a commercial bus to or from school and who resides within the incorporated limits of the city in which the student's school is located."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1013 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Department of Public Instruction				
Total all funds	\$787,839,439	\$807,524,355	(\$25,910,856)	\$781,613,499
Less estimated income	237,017,455	237,044,955	(4,353,250)	232,691,705
General fund	\$550,821,984	\$570,479,400	(\$21,557,606)	\$548,921,794
Division of Independent Study				
Total all funds	\$0	\$0	\$5,244,216	\$5,244,216
Less estimated income			4,353,250	4,353,250
General fund	\$0	\$0	\$890,966	\$890,966
State Library				
Total all funds	\$4,713,513	\$4,713,513	\$0	\$4,713,513
Less estimated income	1,598,857	1,598,857		1,598,857
General fund	\$3,114,656	\$3,114,656	\$0	\$3,114,656
School for the Deaf				
Total all funds	\$6,075,925	\$6,075,925	\$97,125	\$6,173,050
Less estimated income	1,095,624	1,095,624		1,095,624
General fund	\$4,980,301	\$4,980,301	\$97,125	\$5,077,426
School for the Blind				
Total all funds	\$3,332,292	\$3,406,612	\$83,763	\$3,490,375
Less estimated income	1,283,501	1,357,821		1,357,821
General fund	\$2,048,791	\$2,048,791	\$83,763	\$2,132,554
Bill Total				
Total all funds	\$801,961,169	\$821,720,405	(\$20,485,752)	\$801,234,653
Less estimated income	240,995,437	241,097,257		241,097,257
General fund	\$560,965,732	\$580,623,148	(\$20,485,752)	\$560,137,396

House Bill No. 1013 - Department of Public Instruction - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$12,273,865	\$12,170,316	(\$3,085,168)	\$9,085,148
Operating expenses	17,431,193	17,031,193	(1,821,113)	15,210,080
Equipment	534,140	534,140	(190,000)	344,140
Capital improvements	55,000	55,000	(55,000)	
Grants - Foundation aid and transportation	485,542,761	461,035,668	27,130,480	488,166,148
Grants - Teacher compensation payments		46,640,055	(46,640,055)	
Grants - Revenue supplement payments	3,450,000	3,450,000	(1,250,000)	2,200,000
Grants - Tuition apportionment	67,239,025	67,239,025		67,239,025
Grants - Special education	51,260,000	49,898,695		49,898,695
Grants - Other grants	149,970,455	149,350,263	70,000	149,420,263
Geographic education	50,000	100,000	(50,000)	50,000
National board certification	33,000	20,000	(20,000)	
Total all funds	\$787,839,439	\$807,524,355	(\$25,910,856)	\$781,613,499
Less estimated income	237,017,455	237,044,955	(4,353,250)	232,691,705
General fund	\$550,821,984	\$570,479,400	(\$21,557,606)	\$548,921,794
FTE	131.95	130.95	(35.70)	95.25

Dept. 201 - Department of Public Instruction - Detail of Senate Changes

	RESTORE FTE AND FUNDING REMOVED BY HOUSE	REDUCE OPERATING EXPENSES	ADD FUNDING FOR DUES TO THE EDUCATION COMMISSION OF THE STATES	REDUCE FUNDING FOR TITLE I TESTING 1	ADD FUNDING FOR LIMITED ENGLISH PROFICIENCY PAYMENTS 2	REDUCE SUPPLEMENTAL PAYMENTS 3
Salaries and wages	\$100,000					
Operating expenses		(\$120,000)	\$89,100	(\$71,715)		
Equipment						
Capital improvements						
Grants - Foundation aid and transportation					\$200,000	
Grants - Teacher compensation payments						
Grants - Revenue supplement payments						(\$1,250,000)
Grants - Tuition apportionment						
Grants - Special education						
Grants - Other grants						
Geographic education						
National board certification						
Total all funds	\$100,000	(\$120,000)	\$89,100	(\$71,715)	\$200,000	(\$1,250,000)
Less estimated income						
General fund	\$100,000	(\$120,000)	\$89,100	(\$71,715)	\$200,000	(\$1,250,000)
FTE	1.00	0.00	0.00	0.00	0.00	0.00
	RESTORE FUNDING FOR GOVERNOR'S SCHOOL	REDUCE FUNDING FOR GEOGRAPHIC EDUCATION 4	REMOVE FUNDING FOR TEACHER CERTIFICATION PROGRAM 5	ADD FUNDING FOR TEACHER CENTERS	REMOVE INDEPENDENT STUDY 6	REMOVE TEACHER COMPENSATION PAYMENTS AND INCREASE FOUNDATION AID 7
Salaries and wages					(\$3,185,168)	
Operating expenses					(1,718,498)	
Equipment					(190,000)	
Capital improvements					(55,000)	
Grants - Foundation aid and transportation						\$26,930,480
Grants - Teacher compensation payments						(46,640,055)
Grants - Revenue supplement payments						
Grants - Tuition apportionment						
Grants - Special education						
Grants - Other grants	\$60,000			\$10,000		
Geographic education		(\$50,000)				
National board certification			(\$20,000)			

Total all funds	\$60,000	(\$50,000)	(\$20,000)	\$10,000	(\$5,148,666)	(\$19,709,575)
Less estimated income					<u>(4,353,250)</u>	
General fund	\$60,000	(\$50,000)	(\$20,000)	\$10,000	(\$795,416)	(\$19,709,575)
FTE	0.00	0.00	0.00	0.00	(37.70)	0.00

	ADD FTE FOR DEVELOPING SCHOOL DISTRICT COMPENSATION REPORT ⁸	TOTAL SENATE CHANGES				
Salaries and wages		(\$3,085,168)				
Operating expenses		(1,821,113)				
Equipment		(190,000)				
Capital improvements		(55,000)				
Grants - Foundation aid and transportation		27,130,480				
Grants - Teacher compen- sation payments		(46,640,055)				
Grants - Revenue suppl- ment payments		(1,250,000)				
Grants - Tuition appor- tionment						
Grants - Special education						
Grants - Other grants		70,000				
Geographic education		(50,000)				
National board certification		<u>(20,000)</u>				
Total all funds	\$0	(\$25,910,856)				
Less estimated income		<u>(4,353,250)</u>				
General fund	\$0	(\$21,557,606)				
FTE	1.00	(35.70)				

¹ The House version of House Bill No. 1013 included a general fund appropriation of \$1,289,643 for developing and administering standards-based assessments, as required for the state to be eligible to continue receiving federal Title I funding. The Department of Public Instruction has received a proposal to develop and administer the required tests at a cost of \$1,212,928 for the 2001-03 biennium. In addition, the department has indicated that the cost of reporting the results, as required by House Bill No. 1293, will be an additional \$5,000. The Senate version of House Bill No. 1013 provides \$1,217,928 to fully fund the federal Title I testing and the requirements of House Bill No. 1293.

² The Senate amendment increases the appropriation for limited English proficiency payments from \$450,000 to \$650,000 to fund the payment levels specified in House Bill No. 1321, as passed by the Senate.

³ North Dakota Century Code (NDCC) Section 15-40.1-07.8 provides a formula for the distribution of supplemental payments to school districts. The formula limits the amount each district qualifies for and does not provide a mechanism to allow the distribution of any remaining funds. For the 1999-2001 biennium, the department estimates that \$420,838 will remain unspent and will be general fund turnback. For the 2001-03 biennium, the department estimates that the statutory formula will only allow the distribution of approximately \$2.2 million. The House amended NDCC Section 15-40.1-07.8 to allow the department to adjust the formula to distribute all supplemental payment funds appropriated for the 1999-2001 biennium and future bienniums. The Senate amendment removes this statutory change and reduces the appropriation accordingly.

⁴ The Senate amendment removes \$50,000 added by the House for geographic education, reducing the line item to \$50,000, as included in the Schafer and Hoeven budget recommendations.

⁵ The Schafer and Hoeven budget recommendations included \$33,000 for the teacher certification program. The House reduced the funding to \$20,000, which is the same as the amount appropriated for the 1999-2001 biennium. House Bill No. 1344, as amended by the Senate, includes \$83,000 for this program. Consequently, this amendment removes the funding from this bill.

⁶ The funding and FTE authority relating to the Division of Independent Study is removed from the Department of Public Instruction and is reflected in a separate subdivision of the bill.

⁷ The teacher compensation payments line item is removed and the foundation aid line item is increased to reflect per student payments of \$2,349 the first year of the biennium and \$2,411 the second year, as provided in House Bill No. 1344 with Senate amendments. In addition, House Bill No. 1344 with Senate amendments includes a general fund appropriation of \$20.8 million for teacher bonus payments.

⁸ House Bill No. 1344 with Senate amendments appropriates \$200,000 to the Department of Public Instruction for developing a school district employee compensation report. The appropriation provides salaries and related expenses for a new FTE position at the department.

This amendment changes Section 7 of the engrossed bill, which limits the number of FTE positions to be included in the department's 2003-05 biennium base budget request, to reflect the removal to the FTE positions relating to the Division of Independent Study. The base budget request for the 2003-05 biennium will be limited to 94.25 FTEs, one less than the Senate version for the 2001-03 biennium.

This amendment also adds new sections, as follows:

- Section 4 directs the Department of Public Instruction to use \$20,000 of the amount appropriated for operating expenses to fund the Red River Valley writing project. The Schafer and Hoeven executive recommendations and the House version included \$10,000 for this project. The Senate amendment directs the department to spend an additional \$10,000 for this project, but does not provide additional funding.

- Section 5 directs the department to spend \$1,217,928 of the amount appropriated for operating expenses to develop and administer student tests aligned with the state content standards and to report the results of the tests.
- Section 6 provides that, in addition to other salary increases appropriated by the Legislative Assembly, teachers at the Division of Independent Study, the School for the Blind, and the School for the Deaf will be provided salary increases of \$1,750 for the first year of the biennium and an additional \$1,750 for the second year of the biennium (total of \$5,250 per teacher for the biennium). The amounts included in the salaries and wages line items for the respective agencies are:

Division of Independent Study - \$95,550

School for the Deaf - \$97,125

School for the Blind - \$73,763

- Sections 15 and 17 increase the reimbursement rate from 25 cents to 35 cents per mile for in-city busing for schoolbuses with a capacity of 10 or more students.

House Bill No. 1013 - Division of Independent Study - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages			\$3,280,718	\$3,280,781
Operating expenses			1,718,498	1,718,498
Equipment			190,000	190,000
Capital improvements			<u>55,000</u>	<u>55,000</u>
Total all funds	\$0	\$0	\$5,244,216	\$5,244,216
Less estimated income			<u>4,353,250</u>	<u>4,353,250</u>
General fund	\$0	\$0	\$890,966	\$890,966
FTE	0.00	0.00	37.70	37.70

Dept. 202 - Division of Independent Study - Detail of Senate Changes

	SEPARATE FUNDING FOR DIVISION OF INDEPENDENT STUDY ¹	ADD FUNDING FOR TEACHER COMPENSATION PAYMENTS ²	TOTAL SENATE CHANGES
Salaries and wages	\$3,185,168	\$95,550	\$3,280,718
Operating expenses	1,718,498		1,718,498
Equipment	190,000		190,000
Capital improvements	<u>55,000</u>		<u>55,000</u>
Total all funds	\$5,148,666	\$95,550	\$5,244,216
Less estimated income	<u>4,353,250</u>		<u>4,353,250</u>
General fund	\$795,416	\$95,550	\$890,966
FTE	37.70	0.00	37.70

¹ Funding for the Division of Independent Study is moved to a separate subdivision of the bill. The House version for the division is reduced by \$400,000 (\$115,285 for salaries, \$4,715 for operating expenses, and \$280,000 for grants) for a federal grant which the department has indicated must continue to be administered by the Department of Public Instruction after authority for the division is moved from the Department of Public Instruction to the Educational Technology Council, as provided in Senate Bill No. 2251.

² The Senate amendment increases the salaries and wages line item by \$95,550 to provide additional compensation payments of \$1,750 per year for teachers at the Division of Independent Study.

House Bill No. 1013 - School for the Deaf - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$4,814,058	\$4,814,058	\$97,125	\$4,911,183
Operating expenses	1,156,267	1,156,267		1,156,267
Equipment	60,190	60,190		60,190
Capital improvements	<u>45,410</u>	<u>45,410</u>		<u>45,410</u>
Total all funds	\$6,075,925	\$6,075,925	\$97,125	\$6,173,050
Less estimated income	<u>1,095,624</u>	<u>1,095,624</u>		<u>1,095,624</u>
General fund	\$4,980,301	\$4,980,301	\$97,125	\$5,077,426

FTE	53.10	53.10	0.00	53.10
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Dept. 252 - School for the Deaf - Detail of Senate Changes

	ADD FUNDING FOR TEACHER COMPENSATION PAYMENTS ¹	TOTAL SENATE CHANGES
Salaries and wages	\$97,125	\$97,125
Operating expenses		
Equipment		
Capital improvements		
Total all funds	\$97,125	\$97,125
Less estimated income		
General fund	\$97,125	\$97,125
FTE	0.00	0.00

¹ The Senate amendment increases the salaries and wages line item by \$97,125 to provide additional compensation payments of \$1,750 per year for teachers at the School for the Deaf.

House Bill No. 1013 - School for the Blind - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$2,594,638	\$2,668,958	\$73,763	\$2,742,721
Operating expenses	652,238	652,238	10,000	662,238
Equipment	60,000	60,000		60,000
Capital improvements	25,416	25,416		25,416
Total all funds	\$3,332,292	\$3,406,612	\$83,763	\$3,490,375
Less estimated income	1,283,501	1,357,821		1,357,821
General fund	\$2,048,791	\$2,048,791	\$83,763	\$2,132,554
FTE	28.00	29.00	0.00	29.00

Dept. 253 - School for the Blind - Detail of Senate Changes

	ADD FUNDING FOR TEACHER COMPENSATION PAYMENTS ¹	ADD OPERATING EXPENSES FOR NEW FTE AND OTHER COSTS ²	TOTAL SENATE CHANGES
Salaries and wages	\$73,763		\$73,763
Operating expenses		\$10,000	10,000
Equipment			
Capital improvements			
Total all funds	\$73,763	\$10,000	\$83,763
Less estimated income			
General fund	\$73,763	\$10,000	\$83,763
FTE	0.00	0.00	0.00

¹ The Senate amendment increases the salaries and wages line item by \$73,763 to provide additional compensation payments of \$1,750 per year for teachers at the School for the Blind.

² The House added a new training officer II position. The Senate amendment adds \$10,000 for operating expenses relating to the position and for other costs incurred by the agency.