

**FIRST ENGROSSMENT
with Senate Amendments**

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1013

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 public instruction, the school for the deaf, North Dakota vision services - school for the blind,
3 and the state library; to provide an appropriation to the division of independent study; to provide
4 for the distribution of special education payments; to provide for a legislative council study; to
5 amend and reenact section 15.1-02-02 of the North Dakota Century Code, relating to the salary
6 of the superintendent of public instruction; and to declare an emergency.

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

8 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
9 section represent the base level funding component appropriated to the department of public
10 instruction, the school for the deaf, North Dakota vision services - school for the blind, and the
11 state library in section 3 of this Act as follows:

12 Subdivision 1.

13 DEPARTMENT OF PUBLIC INSTRUCTION

14 Salaries and wages	\$9,277,686
15 Operating expenses	13,057,823
16 Capital assets	15,000
17 Grants - State school aid	489,379,990
18 Grants - Tuition apportionment	69,495,371
19 Grants - Special education	49,898,695
20 Grants - Revenue supplement	5,000,000
21 Grants - Teacher compensation	51,854,000
22 Grants - Other grants	182,255,244
23 Reorganization bonuses	500,000
24 Data envelopment analysis	<u>50,000</u>

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1	Salaries and wages	\$77,887
2	Operating expenses	275,105
3	Capital assets	<u>246,772</u>
4	Total all funds - Adjustments/enhancements	\$599,764
5	Less estimated income - Adjustments/enhancements	<u>330,793</u>
6	Total general fund - Adjustments/enhancements	\$268,971

7 Subdivision 4.

8 VISION SERVICES - SCHOOL FOR THE BLIND

9	Salaries and wages	\$145,411
10	Operating expenses	(91,377)
11	Capital assets	<u>49,237</u>
12	Total all funds - Adjustments/enhancements	\$103,271
13	Less estimated income - Adjustments/enhancements	<u>(323,935)</u>
14	Total general fund - Adjustments/enhancements	\$427,206
15	Total general fund - Section 2	\$29,312,853
16	Total special funds - Section 2	\$29,818,941
17	Total all funds - Section 2	\$59,131,794

18 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
19 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
20 treasury, not otherwise appropriated, and from special funds derived from federal funds and
21 other income, to the department of public instruction, the school for the deaf, North Dakota
22 vision services - school for the blind, and the state library for the purpose of defraying the
23 expenses of those agencies, for the biennium beginning July 1, 2005, and ending June 30,
24 2007, as follows:

25 Subdivision 1.

26 DEPARTMENT OF PUBLIC INSTRUCTION

27	Salaries and wages	\$9,973,925
28	Operating expenses	14,892,308
29	Grants - State school aid	552,607,395
30	Grants - Tuition apportionment	50,120,000
31	Grants - Special education	52,500,000

1 **SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the
2 general fund in the state treasury, not otherwise appropriated, the sum of \$148,800, or so much
3 of the sum as may be necessary, to the division of independent study for the purpose of
4 developing, publishing, and distributing a North Dakota studies textbook and workbook
5 including civic education for both grades four and eight, for the biennium beginning July 1,
6 2005, and ending June 30, 2007.

7 Grand total general fund appropriation - H.B. 1013	\$644,376,772
8 Grand total special funds appropriation - H.B. 1013	\$299,546,555
9 Grand total all funds appropriation - H.B. 1013	\$943,923,327

10 **SECTION 5. APPROPRIATION.** There is appropriated from special funds derived
11 from federal funds and other income the sum of \$15,000,000, or so much of the sum as may be
12 necessary, to the superintendent of public instruction for the purpose of providing grants for the
13 period beginning with the effective date of this Act and ending June 30, 2005.

14 **SECTION 6. APPROPRIATION - TUITION APPORTIONMENT.** The sum of
15 \$71,600,000, included in the grants - tuition apportionment line item in subdivision 1 of
16 section 3 of this Act, is from the state tuition fund in the state treasury. Any additional amount
17 in the state tuition fund that becomes available for distribution to public schools is appropriated
18 to the department of public instruction for that purpose for the biennium beginning July 1, 2005,
19 and ending June 30, 2007.

20 **SECTION 7. STATE SCHOOL AID AND SPECIAL EDUCATION EXPENDITURE**

21 **AUTHORITY.** The superintendent of public instruction may expend funds included in the
22 grants - state school aid and grants - special education line items in subdivision 1 of section 3
23 of this Act in payment of grants for educational services that were due in the 2003-05 biennium
24 but which were not filed, claimed, or properly supported by the education provider until after
25 June 30, 2005.

26 **SECTION 8. DISTRIBUTION OF SPECIAL EDUCATION AID.** The sum of
27 \$52,500,000, included in the grants - special education line item in subdivision 1 of section 3 of
28 this Act, must be distributed as follows:

- 29 1. Fifteen million five hundred thousand dollars to reimburse school districts or
30 special education units for excess costs incurred relating to contracts for students
31 with disabilities.

- 1 2. Four hundred thousand dollars to reimburse school districts or special education
2 units for gifted and talented programs upon the submission of an application that is
3 approved in accordance with guidelines adopted by the superintendent of public
4 instruction. The superintendent of public instruction shall encourage cooperative
5 efforts for gifted and talented programs among school districts and special
6 education units.
- 7 3. Any amount remaining in the line item must be distributed on a per student basis
8 as required by section 15.1-27-10, excluding reimbursements for student contracts
9 and gifted and talented programs. State special education payments distributed as
10 required by section 15.1-27-10 must be reduced by the amount of matching funds
11 required to be paid by school districts or special education units for students
12 participating in the medicaid program. Special education funds equal to the
13 amount of the matching funds required to be paid by the school district or special
14 education unit must be paid by the superintendent of public instruction to the
15 department of human services on behalf of the school district or unit.

16 **SECTION 9. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS.**

17 Payments to school districts educating limited English proficient students, as provided in
18 section 15.1-27-12, must be made by the superintendent of public instruction during the
19 biennium beginning July 1, 2005, and ending June 30, 2007, using up to \$650,000 of the
20 amount included in the grants - state school aid line item in subdivision 1 of section 3 of this
21 Act.

22 **SECTION 10. INDIRECT COST ALLOCATION.** Notwithstanding section 54-44.1-15,

23 the department of public instruction may deposit indirect cost recoveries in its operating
24 account.

25 **SECTION 11. DISPLACED HOMEMAKER FUND.** The sum of \$253,646, included in

26 the estimated income line item in subdivision 1 of section 3 of this Act, is from the displaced
27 homemaker fund and must be used by the superintendent of public instruction for the purpose
28 of providing services for displaced homemakers, as provided in chapter 14-06.1, during the
29 biennium beginning July 1, 2005, and ending June 30, 2007.

1 **SECTION 12. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in
2 subdivision 2 of section 3 of this Act includes \$1,000,000 for aid to public libraries, of which no
3 more than one-half is to be expended during the fiscal year ending June 30, 2006.

4 **SECTION 13. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND**
5 **OPERATING FUND.** Any moneys included in the estimated income line item in subdivision 4
6 of section 3 of this Act, collected for subscription fees or braille fees, must be deposited in the
7 North Dakota vision services - school for the blind operating fund in the state treasury and may
8 be spent subject to appropriation by the legislative assembly.

9 **SECTION 14. LEGISLATIVE COUNCIL STUDY - SCHOOL FOR THE DEAF AND**
10 **VISION SERVICES - SCHOOL FOR THE BLIND.** The legislative council shall consider
11 studying, during the 2005-06 interim, the potential for cooperative field service delivery between
12 vision services - school for the blind and the school for the deaf. The legislative council shall
13 report its findings and recommendations, together with any legislation required to implement
14 the recommendations, to the sixtieth legislative assembly.

15 **SECTION 15. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is
18 ~~sixty-nine~~ seventy-nine thousand ~~six~~ seven hundred ~~forty-eight~~ fifty-seven dollars through
19 ~~December 31, 2001~~ June 30, 2006, ~~seventy-five~~ eighty-two thousand nine hundred ~~sixteen~~
20 forty-seven dollars through ~~June 30, 2002~~, and ~~seventy-seven thousand four hundred~~
21 ~~thirty-four~~ dollars thereafter.

22 **SECTION 16. EMERGENCY.** Section 5 of this Act is declared to be an emergency
23 measure.