

**FIRST ENGROSSMENT
with Conference Committee Amendments**

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 provide a statement of legislative intent; to amend and reenact section 15.1-02-02 of the North
6 Dakota Century Code, relating to the salary of the superintendent of public instruction; and to
7 declare an emergency.

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

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

13 Subdivision 1.

14 DEPARTMENT OF PUBLIC INSTRUCTION

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

Fifty-ninth
Legislative Assembly

1	Data envelopment analysis	<u>50,000</u>
2	Total all funds - Base level	\$870,783,809
3	Less estimated income - Base level	<u>266,058,803</u>
4	Total general fund - Base level	\$604,725,006
5	Subdivision 2.	
6	STATE LIBRARY	
7	Salaries and wages	\$2,078,571
8	Operating expenses	1,181,647
9	Grants	<u>1,396,807</u>
10	Total all funds - Base level	\$4,657,025
11	Less estimated income - Base level	<u>1,629,979</u>
12	Total general fund - Base level	\$3,027,046
13	Subdivision 3.	
14	SCHOOL FOR THE DEAF	
15	Salaries and wages	\$4,809,808
16	Operating expenses	1,102,160
17	Capital assets	<u>32,723</u>
18	Total all funds - Base level	\$5,944,691
19	Less estimated income - Base level	<u>871,449</u>
20	Total general fund - Base level	\$5,073,242
21	Subdivision 4.	
22	VISION SERVICES - SCHOOL FOR THE BLIND	
23	Salaries and wages	\$2,540,292
24	Operating expenses	698,683
25	Capital assets	<u>18,233</u>
26	Total all funds - Base level	\$3,257,208
27	Less estimated income - Base level	<u>1,167,383</u>
28	Total general fund - Base level	\$2,089,825
29	Total general fund - Section 1	\$614,915,119
30	Total special funds - Section 1	\$269,727,614
31	Total all funds - Section 1	\$884,642,733

Fifty-ninth
Legislative Assembly

1	Salaries and wages	\$201,314
2	Operating expenses	275,105
3	Capital assets	<u>246,772</u>
4	Total all funds - Adjustments/enhancements	\$723,191
5	Less estimated income - Adjustments/enhancements	<u>454,220</u>
6	Total general fund - Adjustments/enhancements	\$268,971

7 Subdivision 4.

8 VISION SERVICES - SCHOOL FOR THE BLIND

9	Salaries and wages	\$125,411
10	Operating expenses	(91,377)
11	Capital assets	<u>49,237</u>
12	Total all funds - Adjustments/enhancements	\$83,271
13	Less estimated income - Adjustments/enhancements	<u>(323,935)</u>
14	Total general fund - Adjustments/enhancements	\$407,206
15	Total general fund - Section 2	\$30,342,853
16	Total special funds - Section 2	\$29,942,368
17	Total all funds - Section 2	\$60,285,221

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	516,853,759
30	Grants - Tuition apportionment	71,600,000
31	Grants - Special education	52,500,000

Fifty-ninth
Legislative Assembly

1	Grants - Revenue supplement	5,000,000
2	Grants - Teacher compensation	50,912,120
3	Grants - Other grants	207,999,083
4	National board certification	<u>40,000</u>
5	Total all funds	\$929,771,195
6	Less estimated income	<u>295,843,692</u>
7	Total general fund appropriation	\$633,927,503

8 Subdivision 2.

9 STATE LIBRARY

10	Salaries and wages	\$2,214,126
11	Operating expenses	1,381,772
12	Grants	<u>1,552,500</u>
13	Total all funds	\$5,148,398
14	Less estimated income	<u>1,657,173</u>
15	Total general fund appropriation	\$3,491,225

16 Subdivision 3.

17 SCHOOL FOR THE DEAF

18	Salaries and wages	\$5,011,122
19	Operating expenses	1,377,265
20	Capital assets	<u>279,495</u>
21	Total all funds	\$6,667,882
22	Less estimated income	<u>1,325,669</u>
23	Total general fund appropriation	\$5,342,213

24 Subdivision 4.

25 VISION SERVICES - SCHOOL FOR THE BLIND

26	Salaries and wages	\$2,665,703
27	Operating expenses	607,306
28	Capital assets	<u>67,470</u>
29	Total all funds	\$3,340,479
30	Less estimated income	<u>843,448</u>
31	Total general fund appropriation	\$2,497,031

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 civil education for both grades four and eight, for the biennium beginning July 1, 2005,
6 and ending June 30, 2007.

7 **SECTION 5. APPROPRIATION.** There is appropriated out of any moneys in the
8 general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much
9 of the sum as may be necessary, to the division of independent study for the purpose of
10 revitalizing civic education, for the biennium beginning July 1, 2005, and ending June 30, 2007.

11 Grand total general fund appropriation - H.B. 1013	\$645,456,772
12 Grand total special funds appropriation - H.B. 1013	\$299,669,982
13 Grand total all funds appropriation - H.B. 1013	\$945,126,754

14 **SECTION 6. APPROPRIATION.** There is appropriated from special funds derived
15 from federal funds and other income the sum of \$30,000,000, or so much of the sum as may be
16 necessary, to the superintendent of public instruction for the purpose of providing grants for the
17 period beginning with the effective date of this Act and ending June 30, 2005.

18 **SECTION 7. APPROPRIATION - TUITION APPORTIONMENT.** The sum of
19 \$71,600,000, included in the grants - tuition apportionment line item in subdivision 1 of
20 section 3 of this Act, is from the state tuition fund in the state treasury. Any additional amount
21 in the state tuition fund that becomes available for distribution to public schools is appropriated
22 to the department of public instruction for that purpose for the biennium beginning July 1, 2005,
23 and ending June 30, 2007.

24 **SECTION 8. STATE SCHOOL AID AND SPECIAL EDUCATION EXPENDITURE**

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

1 **SECTION 9. DISTRIBUTION OF SPECIAL EDUCATION AID.** The sum of
2 \$52,500,000, included in the grants - special education line item in subdivision 1 of section 3 of
3 this Act, must be distributed as follows:

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

22 **SECTION 10. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS.**

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

28 **SECTION 11. INDIRECT COST ALLOCATION.** Notwithstanding section 54-44.1-15,
29 the department of public instruction may deposit indirect cost recoveries in its operating
30 account.

1 **SECTION 12. DISPLACED HOMEMAKER FUND.** The sum of \$253,646, included in
2 the estimated income line item in subdivision 1 of section 3 of this Act, is from the displaced
3 homemaker fund and must be used by the superintendent of public instruction for the purpose
4 of providing services for displaced homemakers, as provided in chapter 14-06.1, during the
5 biennium beginning July 1, 2005, and ending June 30, 2007.

6 **SECTION 13. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in
7 subdivision 2 of section 3 of this Act includes \$1,000,000 for aid to public libraries, of which no
8 more than one-half is to be expended during the fiscal year ending June 30, 2006.

9 **SECTION 14. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND**
10 **OPERATING FUND.** Any moneys included in the estimated income line item in subdivision 4
11 of section 3 of this Act, collected for subscription fees or braille fees, must be deposited in the
12 North Dakota vision services - school for the blind operating fund in the state treasury and may
13 be spent subject to appropriation by the legislative assembly.

14 **SECTION 15. LEGISLATIVE COUNCIL STUDY - SCHOOL FOR THE DEAF AND**
15 **VISION SERVICES - SCHOOL FOR THE BLIND.** The legislative council shall consider
16 studying, during the 2005-06 interim, the potential for cooperative field service delivery between
17 vision services - school for the blind and the school for the deaf. The legislative council shall
18 report its findings and recommendations, together with any legislation required to implement
19 the recommendations, to the sixtieth legislative assembly.

20 **SECTION 16. LEGISLATIVE COUNCIL STUDY - REPORT.** The legislative council
21 shall study, during the 2005-06 interim, the state's elementary and secondary education
22 system, including key measurements of student progress, programs that address the state's
23 competitiveness with other states, costs incurred by the state relating to implementing the No
24 Child Left Behind Act, and the most effective means of using taxpayer dollars at the state and
25 local levels to ensure the best possible education for the children of this state. The legislative
26 council also shall evaluate effective programs; opportunities for achievement; and statutory,
27 regulatory, and political barriers to success. The legislative council shall receive input from
28 teachers; administrators; parents; students; local business and community leaders;
29 representatives of higher education; and may use technology, curricular, and programmatic
30 consultants, among others. The legislative council shall report its findings and

1 recommendations, together with any legislation required to implement the recommendations, to
2 the sixtieth legislative assembly.

3 **SECTION 17. LEGISLATIVE INTENT.** It is the intent of the fifty-ninth legislative
4 assembly that the department of public instruction not charge school districts for testing relating
5 to the English language learner program.

6 **SECTION 18. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is
9 ~~sixty-nine~~ seventy-nine thousand ~~six~~ seven hundred ~~forty-eight~~ fifty-seven dollars through
10 ~~December 31, 2004~~ June 30, 2006, ~~seventy-five and eighty-two~~ thousand nine hundred ~~sixteen~~
11 forty-seven dollars through ~~June 30, 2002~~, and ~~seventy-seven thousand four hundred~~
12 ~~thirty-four~~ dollars thereafter.

13 **SECTION 19. EMERGENCY.** Section 6 of this Act is declared to be an emergency
14 measure.