

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 for the distribution of special education payments; to provide for  
4 transfers; to provide for a legislative council study; to provide legislative intent; to amend and  
5 reenact section 15.1-02-02 of the North Dakota Century Code and section 28 of chapter 167 of  
6 the 2005 Session Laws, relating to the salary of the superintendent of public instruction and  
7 contingent distributions of per student payments; and to 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	\$10,056,952
16 Operating expenses	14,892,308
17 Grants - State school aid	484,053,759
18 Grants - Special education contracts	15,500,000
19 Grants - Transportation	33,500,000
20 Grants - Tuition apportionment	71,600,000
21 Grants - Special education	37,000,000
22 Grants - Revenue supplement	5,000,000
23 Grants - Teacher compensation	50,912,120
24 Grants - Other grants	207,999,083

Sixtieth  
Legislative Assembly

1	Reorganization bonuses	759,000
2	JPA incentives	1,000,000
3	Transportation efficiency	30,000
4	National board certification	<u>40,000</u>
5	Total all funds - Base level	\$932,343,222
6	Less estimated income - Base level	<u>295,899,635</u>
7	Total general fund - Base level	\$636,443,587
8	Subdivision 2.	
9		
	STATE LIBRARY	
10	Salaries and wages	\$2,232,082
11	Operating expenses	1,381,772
12	Grants	<u>1,552,500</u>
13	Total all funds - Base level	\$5,166,354
14	Less estimated income - Base level	<u>1,659,272</u>
15	Total general fund - Base level	\$3,507,082
16	Subdivision 3.	
17		
	SCHOOL FOR THE DEAF	
18	Salaries and wages	\$5,035,602
19	Operating expenses	1,377,265
20	Capital assets	<u>279,495</u>
21	Total all funds - Base level	\$6,692,362
22	Less estimated income - Base level	<u>1,327,265</u>
23	Total general fund - Base level	\$5,365,097
24	Subdivision 4.	
25		
	VISION SERVICES - SCHOOL FOR THE BLIND	
26	Salaries and wages	\$2,696,280
27	Operating expenses	607,306
28	Capital assets	<u>67,470</u>
29	Total all funds - Base level	\$3,371,056
30	Less estimated income - Base level	<u>846,447</u>
31	Total general fund - Base level	\$2,524,609

Sixtieth  
Legislative Assembly

1	Total general fund - Section 1	\$647,840,375
2	Total special funds - Section 1	\$299,732,619
3	Total all funds - Section 1	\$947,572,994

4           **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The  
5 amounts identified in this section represent the funding adjustments or enhancements to the  
6 base funding level for the department of public instruction, the school for the deaf, North Dakota  
7 vision services - school for the blind, and the state library which are included in the  
8 appropriation in section 3 of this Act as follows:

9           Subdivision 1.

10   DEPARTMENT OF PUBLIC INSTRUCTION

11	Salaries and wages	\$1,350,102
12	Operating expenses	4,845,986
13	Grants - State school aid	240,112,120
14	Grants - Special education contracts	2,000,000
15	Grants - Tuition apportionment	(71,600,000)
16	Grants - Special education	(37,000,000)
17	Grants - Revenue supplement	(5,000,000)
18	Grants - Teacher compensation	(50,912,120)
19	Grants - Other grants	19,702,723
20	Reorganization bonuses	(759,000)
21	JPA incentives	<u>(1,000,000)</u>
22	Total all funds - Adjustments/enhancements	\$101,739,811
23	Less estimated income - Adjustments/enhancements	<u>29,776,672</u>
24	Total general fund - Adjustments/enhancements	\$71,963,139

25           Subdivision 2.

26   STATE LIBRARY

27	Salaries and wages	\$398,958
28	Operating expenses	96,000
29	Grants	<u>200,000</u>
30	Total all funds - Adjustments/enhancements	\$694,958

Sixtieth  
Legislative Assembly

1	Less estimated income - Adjustments/enhancements	<u>222,328</u>
2	Total general fund - Adjustments/enhancements	\$472,630
3	Subdivision 3.	
4	SCHOOL FOR THE DEAF	
5	Salaries and wages	(\$292,221)
6	Operating expenses	137,018
7	Capital assets	<u>(129,495)</u>
8	Total all funds - Adjustments/enhancements	(\$284,698)
9	Less estimated income - Adjustments/enhancements	<u>(288,103)</u>
10	Total general fund - Adjustments/enhancements	\$3,405
11	Subdivision 4.	
12	VISION SERVICES - SCHOOL FOR THE BLIND	
13	Salaries and wages	\$281,139
14	Operating expenses	33,492
15	Capital assets	<u>74,630</u>
16	Total all funds - Adjustments/enhancements	\$389,261
17	Less estimated income - Adjustments/enhancements	<u>(2,330)</u>
18	Total general fund - Adjustments/enhancements	\$391,591
19	Total general fund - Section 2	\$72,830,765
20	Total special funds - Section 2	\$29,708,567
21	Total all funds - Section 2	\$102,539,332

22       **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the  
23 funds as may be necessary, are appropriated out of any moneys in the general fund in the state  
24 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
25 other income, to the department of public instruction, the school for the deaf, North Dakota  
26 vision services - school for the blind, and the state library for the purpose of defraying the  
27 expenses of those agencies, for the biennium beginning July 1, 2007, and ending June 30,  
28 2009, as follows:

29       Subdivision 1.

30                                   DEPARTMENT OF PUBLIC INSTRUCTION

Sixtieth  
Legislative Assembly

1	Salaries and wages	\$11,407,054
2	Operating expenses	19,738,294
3	Grants - State school aid	724,165,879
4	Grants - Special education contracts	17,500,000
5	Grants - Transportation	33,500,000
6	Grants - Other grants	227,701,806
7	Transportation efficiency	30,000
8	National board certification	<u>40,000</u>
9	Total all funds	\$1,034,083,033
10	Less estimated income	<u>325,676,307</u>
11	Total general fund appropriation	\$708,406,726

12 Subdivision 2.

13 STATE LIBRARY

14	Salaries and wages	\$2,631,040
15	Operating expenses	1,477,772
16	Grants	<u>1,752,500</u>
17	Total all funds	\$5,861,312
18	Less estimated income	<u>1,881,600</u>
19	Total general fund appropriation	\$3,979,712

20 Subdivision 3.

21 SCHOOL FOR THE DEAF

22	Salaries and wages	\$4,743,381
23	Operating expenses	1,514,283
24	Capital assets	<u>150,000</u>
25	Total all funds	\$6,407,664
26	Less estimated income	<u>1,039,162</u>
27	Total general fund appropriation	\$5,368,502

28 Subdivision 4.

29 VISION SERVICES - SCHOOL FOR THE BLIND

30	Salaries and wages	\$2,977,419
31	Operating expenses	640,798

1	Capital assets	<u>142,100</u>
2	Total all funds	\$3,760,317
3	Less estimated income	<u>844,117</u>
4	Total general fund appropriation	\$2,916,200
5	Grand total general fund appropriation - S.B. 2013	\$720,671,140
6	Grand total special funds appropriation - S.B. 2013	\$329,441,186
7	Grand total all funds appropriation - S.B. 2013	\$1,050,112,326

8           **SECTION 4. APPROPRIATION.** There is appropriated from special funds derived  
9 from federal funds and other income the sum of \$22,000,000, or so much of the sum as may be  
10 necessary, to the superintendent of public instruction for operating expenses and for providing  
11 grants for the period beginning with the effective date of this Act and ending June 30, 2007.

12           **SECTION 5. APPROPRIATION - TUITION APPORTIONMENT.** The sum of  
13 \$76,200,000, included in the grants - state school aid line item in subdivision 1 of section 3 of  
14 this Act, is from the state tuition fund in the state treasury. Any additional amount in the state  
15 tuition fund that becomes available for distribution to public schools is appropriated to the  
16 department of public instruction for that purpose for the biennium beginning July 1, 2007, and  
17 ending June 30, 2009.

18           **SECTION 6. STATE SCHOOL AID AND SPECIAL EDUCATION EXPENDITURE**  
19 **AUTHORITY.** The superintendent of public instruction may expend funds included in the  
20 grants - state school aid and grants - special education contracts line items in subdivision 1 of  
21 section 3 of this Act in payment of grants for educational services that were due in the 2005-07  
22 biennium but which were not filed, claimed, or properly supported by the education provider  
23 until after June 30, 2007.

24           **SECTION 7. DISTRIBUTION OF SPECIAL EDUCATION AID.** The sum of \$400,000,  
25 included in the grants - state school aid line item in subdivision 1 of section 3 of this Act, must  
26 be distributed to reimburse school districts or special education units for gifted and talented  
27 programs upon the submission of an application that is approved in accordance with guidelines  
28 adopted by the superintendent of public instruction. The superintendent of public instruction  
29 shall encourage cooperative efforts for gifted and talented programs among school districts and  
30 special education units. State school aid payments for special education must be reduced by  
31 the amount of matching funds required to be paid by school districts or special education units

1 for students participating in the medicaid program. Special education funds equal to the  
2 amount of the matching funds required to be paid by the school district or special education unit  
3 must be paid by the superintendent of public instruction to the department of human services  
4 on behalf of the school district or unit.

5 **SECTION 8. INDIRECT COST ALLOCATION.** Notwithstanding section 54-44.1-15,  
6 the department of public instruction may deposit indirect cost recoveries in its operating  
7 account.

8 **SECTION 9. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in  
9 subdivision 2 of section 3 of this Act includes \$1,200,000 for aid to public libraries, of which no  
10 more than one-half is to be expended during the fiscal year ending June 30, 2008.

11 **SECTION 10. LINE ITEM TRANSFER AUTHORITY.** Notwithstanding section  
12 54-16-04, the director of the office of management and budget may make transfers of funds up  
13 to \$240,000 from the salaries and wages line item to the operating expenses and capital assets  
14 line items in subdivision 3 of section 3 of this Act for the school for the deaf as may be  
15 requested by the superintendent of public instruction for increased instructional costs and  
16 extraordinary repair needs.

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

22 **SECTION 12. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**  
23 **THE SIXTY-FIRST LEGISLATIVE ASSEMBLY.** The total general fund appropriation line item  
24 in section 3 of this Act includes \$100,000 for the one-time funding item identified in this section.  
25 This amount is not a part of the agency's base budget to be used in preparing the 2009-11  
26 executive budget. The school for the deaf shall report to the appropriations committees of the  
27 sixty-first legislative assembly on the use of this one-time funding for the biennium beginning  
28 July 1, 2007, and ending June 30, 2009.

29 Deferred maintenance - School for the deaf \$100,000

30 **SECTION 13. LEGISLATIVE COUNCIL STUDY - SERVICES TO STUDENTS WHO**  
31 **ARE DEAF OR HEARING-IMPAIRED.** The legislative council shall consider studying, during

1 the 2007-08 interim, the provision of services to children and adults who are deaf or  
2 hearing-impaired, including the role of the North Dakota school for the deaf in the provision of  
3 educational and rehabilitative services, the short-term and long-term viability of existing state  
4 facilities, and alternative approaches that might enhance the scope and breadth of service  
5 availability. The study, if conducted, must include the feasibility of combining the administration  
6 and delivery of services of the school for the deaf with other area school districts, educational  
7 associations governed by joint powers agreements, special education units, and North Dakota  
8 vision services - school for the blind. The study should examine alternative uses for the  
9 buildings on the school for the deaf campus beyond the scope of the school's present mission.  
10 The legislative council shall report its findings and recommendations, together with any  
11 legislation required to implement the recommendations, to the sixty-first legislative assembly.

12 **SECTION 14. LEGISLATIVE INTENT - REPORT TO THE SIXTY-FIRST**

13 **LEGISLATIVE ASSEMBLY.** It is the intent of the legislative assembly that the school for the  
14 deaf collaborate with Lake Region state college on the college's wind energy project and  
15 determine the feasibility of the school for the deaf accessing any available energy, including  
16 identifying any related costs. The school for the deaf should provide a report on the status of  
17 this collaboration to the appropriations committees of the sixty-first legislative assembly.

18 **SECTION 15. ADULT EDUCATION PER STUDENT FUNDING STUDY.** The

19 commission on education improvement shall consider studying, during the 2007-08 interim,  
20 changes to the state school aid formula to provide per student payments to school districts  
21 offering an adult education program.

22 **SECTION 16. AMENDMENT.** Section 28 of chapter 167 of the 2005 Session Laws is  
23 amended and reenacted as follows:

24 **SECTION 28. CONTINGENCY.** If any moneys appropriated for per student payments

25 and transportation payments in the grants - state school aid line item in House Bill No. 1013, as  
26 approved by the fifty-ninth legislative assembly, remain after payment of all statutory obligations  
27 for per student and transportation payments during the biennium beginning July 1, 2005, and  
28 ending June 30, 2007, and after the superintendent of public instruction has fulfilled any  
29 directives contained in section 27 of this Act, the superintendent shall distribute the remaining  
30 moneys as follows:



- 1           1.    The superintendent of public instruction shall use the first \$450,000, or so much of  
2                    that amount as may be necessary, to provide additional payments to school  
3                    districts serving English language learners in accordance with section 15.1-27-12.
- 4           2.    The superintendent of public instruction shall use the next \$1,000,000, or so much  
5                    of that amount as may be necessary, for the purpose of providing additional per  
6                    student payments to school districts participating in eligible educational  
7                    associations in accordance with section 32 of this Act.
- 8           3.    The superintendent of public instruction shall use the next \$25,748, or so much of  
9                    that amount as may be necessary, for the purpose of reimbursing eligible school  
10                  districts that received reduced amounts of state aid. For the purposes of this  
11                  subsection, an eligible school district is one that received a reduction in state aid  
12                  during the 2005-07 biennium because the district's general fund levy fell below one  
13                  hundred forty mills as the result of an accounting oversight.
- 14          4.    The superintendent of public instruction shall use the next \$200,000, or so much of  
15                  that amount as may be necessary, for the purpose of providing additional  
16                  payments to school districts offering an adult education program during the  
17                  2005-07 biennium.
- 18          5.    a.   The superintendent of public instruction shall use the next \$2,000,000, or so  
19                  much of that sum as may be necessary, for the purpose of providing  
20                  payments to school districts that are members of eligible educational  
21                  associations, for the biennium beginning July 1, 2007, and ending June 30,  
22                  2009.
- 23                  b.   Each year of the biennium, the superintendent of public instruction shall  
24                  distribute fifty percent of the moneys appropriated to eligible school districts  
25                  on a per student basis. The superintendent shall make the distribution at the  
26                  same time and in the same manner as other state aid payments under  
27                  section 15.1-27-01.
- 28                  c.   For purposes of this subsection, an "eligible educational association" is one  
29                  that is governed by a joint powers agreement that the superintendent of public  
30                  instruction has reviewed and verified as meeting the requirements of section  
31                  15.1-07-28.

- 1           6.   The superintendent of public instruction shall use the next \$500,000, or so much of  
2                   that amount as may be necessary, for the purpose of funding the rewrite of the  
3                   state school aid computer system.
- 4           7.   The superintendent of public instruction shall use the next \$650,000, or so much of  
5                   that amount as may be necessary, for the purpose of funding the rewrite of the  
6                   teacher licensure application used by the department and the education standards  
7                   and practices board. The education standards and practices board will pay the  
8                   remaining \$80,000 of the anticipated total project cost.
- 9           8.   The superintendent of public instruction shall use the next \$77,000, or so much of  
10                   that amount as may be necessary, for providing funding to the education standards  
11                   and practices board for providing payments to recipients of national board  
12                   certification and scholarships to individuals seeking national board certification in  
13                   accordance with Senate Bill No. 2057 as approved by the sixtieth legislative  
14                   assembly.
- 15           9.   The superintendent of public instruction shall use the next \$400,000, or so much of  
16                   that amount as may be necessary, to purchase automated external defibrillators  
17                   and place one in each public and nonpublic school in the state.
- 18           10. The superintendent of public instruction shall use the next \$395,000, or so much of  
19                   that sum as may be necessary, for the purpose of providing a grant to the north  
20                   central council of school television for licensing of education television programs  
21                   for classroom use by North Dakota elementary and secondary schools, assisting  
22                   with the North Dakota studies project, and other operating expenses.
- 23           11. The superintendent of public instruction shall use the next \$50,000, or so much of  
24                   that sum as may be necessary, for the purpose of providing a grant for the  
25                   Atlantik-Brucke teacher exchange program.
- 26           12.   The superintendent of public instruction shall use the remainder of the moneys to  
27                   provide additional per student payments on a prorated basis according to the latest  
28                   available average daily membership of each school district.

29           **SECTION 17. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is  
30   amended and reenacted as follows:

1           **15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is  
2 ~~eighty eighty-seven~~ thousand ~~five one~~ hundred ~~thirty one~~ three dollars through June 30, ~~2006~~  
3 ~~2008~~, and ~~eighty three~~ ninety thousand ~~seven five~~ hundred ~~fifty three~~ eighty-seven dollars  
4 thereafter.

5           **SECTION 18. EMERGENCY.** Sections 4 and 16 of this Act are declared to be an  
6 emergency measure.