

Sixty-second  
Legislative Assembly  
of North Dakota

## REENGROSSED SENATE BILL NO. 2150

Introduced by

Senators Flakoll, Holmberg, O'Connell

Representatives R. Kelsch, Hawken, Delmore

1 A BILL for an Act to create and enact a new section to chapter 15.1-09.1, four new sections to  
2 chapter 15.1-18.2, and two new sections to chapter 15.1-21 of the North Dakota Century Code,  
3 relating to regional education associations, the professional development advisory committee,  
4 and North Dakota scholarships; to amend and reenact sections 15.1-07-33, 15.1-09-58,  
5 15.1-09.1-02, 15.1-20-01, 15.1-21-02.1, 15.1-21-02.4, 15.1-21-02.5, 15.1-21-02.6, 15.1-21-08,  
6 15.1-21-18, 15.1-21-19, 15.1-22-01, 15.1-27-03.1, 15.1-27-04, 15.1-27-07.2, 15.1-27-11,  
7 15.1-27-35.3, and 15.1-37-01 of the North Dakota Century Code, relating to technology,  
8 regional education associations, curriculum requirements, assessments, scholarships, student  
9 consultations, compulsory attendance, age of admission, and state aid; to repeal section  
10 15.1-27-15 of the North Dakota Century Code, relating to isolated schools; to provide a  
11 continuing appropriation; to provide for compensation increases, transition payments,  
12 contingent payments, and the distribution of transportation grants; to provide for a legislative  
13 management study and reports; and to provide an effective date.

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

15 **SECTION 1. AMENDMENT.** Section 15.1-07-33 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **15.1-07-33. Student information system - Statewide coordination - Financial support -**  
18 **Exemption.**

19 1. Notwithstanding any other technology requirements imposed by the superintendent of  
20 public instruction, the information technology department, or the North Dakota  
21 educational technology council, each school district shall acquire PowerSchool  
22 through the information technology department and use it as its principal student  
23 information system.

1       2. The superintendent of public instruction shall forward that portion of a school district's  
2       state aid which is payable by the superintendent under subdivision n of subsection 1 of  
3       section 15.1-27-03.1 directly to the information technology department to reimburse  
4       the department for the cost of the school district's acquisition, implementation, or  
5       utilization of PowerSchool and any related technology support services. The  
6       superintendent shall forward the amount payable under this subsection at the same  
7       time and in the same manner as provided for other state aid payments under section  
8       15.1-27-01.

9       3. If the portion of a school district's state aid forwarded to the information technology  
10      department under subsection 2 exceeds the cost incurred by the information  
11      technology department in providing for the school district's acquisition,  
12      implementation, or utilization of PowerSchool and any related technology support  
13      services, the information technology department shall return the excess moneys to the  
14      superintendent of public instruction for redistribution to the school district as per  
15      student payments.

16      4. The superintendent of public instruction may exempt a school district from having to  
17      acquire and utilize PowerSchool if the school district demonstrates that, in accordance  
18      with requirements of the bureau of Indian education, the district has acquired and is  
19      utilizing a student information system that is determined to be comparable by the  
20      superintendent.

21      **SECTION 2. AMENDMENT.** Section 15.1-09-58 of the North Dakota Century Code is  
22      amended and reenacted as follows:

23      **15.1-09-58. ~~Prekindergarten program~~Early childhood education - Authorization -**  
24      **Support.**

25      1. ~~The board of a school district may establish a prekindergarten~~ an early childhood  
26      education program and may receive and expend any state support that program with:

27      a. Local tax revenues, other than those necessary to support the district's  
28      kindergarten program and the provision of elementary and high school  
29      educational services;

30      b. State moneys specifically appropriated for the program, ~~any federal;~~

1           c. Federal funds specifically appropriated or approved for the program, ~~and any~~  
2           gifts,; and

3           d. Gifts, grants, and donations specifically given for the program.

4           2. For purposes of this section, state moneys specifically appropriated for an early  
5           childhood program are separate and distinct from those appropriated for special  
6           education early childhood programs, school readiness and parent education  
7           programs, and state aid for elementary and secondary education.

8           **SECTION 3. AMENDMENT.** Section 15.1-09.1-02 of the North Dakota Century Code is  
9           amended and reenacted as follows:

10           **15.1-09.1-02. Regional education association - Joint powers agreement - Review by**  
11           **superintendent of public instruction - Criteria.**

12           ~~Before~~In order for a group of school districts ~~may~~to be designated as a regional education  
13           association, the superintendent of public instruction shall review the joint powers agreement  
14           that the districts have entered and verify that: the requirements of this section have been met.

15           1. The school districts must:

16           a. Have a combined total land mass of at least five thousand eight hundred square  
17           miles [1502193 hectares];

18           b. (1) Have a combined total land mass of at least four thousand five hundred  
19           square miles [1165494 hectares]; and

20           (2) Number at least twelve;

21           c. (1) Have a combined total land mass of at least four thousand square miles  
22           [1035995 hectares]; and

23           (2) Have at least three thousand students in average daily membership; or

24           d. (1) Have a combined total land mass of at least one thousand five hundred  
25           square miles [388498 hectares]; and

26           (2) Have at least seven thousand five hundred students in average daily  
27           membership.

28           2. The school districts ~~are~~must be contiguous to each other or, if the districts are not  
29           contiguous to each other, the superintendent of public instruction shall verify that the  
30           participating districts can provide sound educational opportunities to their students in a  
31           fiscally responsible manner without injuring other school districts or regional education

1 associations and without negatively impacting the ability of other school districts or  
2 regional education associations to provide sound educational opportunities to their  
3 students in a fiscally responsible manner. A decision by the superintendent of public  
4 instruction under this subsection may be appealed to the state board of public school  
5 education. A decision by the state board is final.

6 3. The joint powers agreement ~~requires~~must require that the participating school districts  
7 maintain a joint operating fund and ~~share various administrative functions and student~~  
8 ~~services in accordance with subsection 4.~~

9 4. a. ~~During the first two school years in which a regional education association is~~  
10 ~~operational, each participating school district shall share in at least two~~  
11 ~~administrative functions and two student services, selected by the district.~~

12 b. ~~During the third and fourth school years in which a regional education association~~  
13 ~~is operational, each participating school district shall share in at least three~~  
14 ~~administrative functions and three student services, selected by the district.~~

15 c. ~~During the fifth school year in which a regional education association is~~  
16 ~~operational, and each year thereafter, each participating school district shall~~  
17 ~~share at least five administrative functions and five student services, selected by~~  
18 ~~the district.~~

19 d. For purposes of this subsection:

20 (1) "Administrative functions" means:

21 (a) Business management;

22 (b) Career and technical education services management;

23 (c) Curriculum mapping or development;

24 (d) Data analysis;

25 (e) Federal program support;

26 (f) Federal title program management;

27 (g) Grant writing;

28 (h) School improvement;

29 (i) School safety and environment management;

30 (j) Special education services management;

31 (k) Staff development;

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- 1                            (l) ~~Staff retention and recruitment;~~
- 2                            (m) ~~Staff sharing;~~
- 3                            (n) ~~Technology support; and~~
- 4                            (o) ~~Any other functions approved by the superintendent of public-~~
- 5    ~~instruction.~~
- 6                            (2) "Student services" means:
- 7                            (a) ~~Advanced placement classes;~~
- 8                            (b) ~~Alternative high schools or alternative high school programs;~~
- 9                            (c) ~~Career and technical education classes;~~
- 10                           (d) ~~Counseling services;~~
- 11                           (e) ~~Common elementary curricula;~~
- 12                           (f) ~~Distance learning classes;~~
- 13                           (g) ~~Dual credit classes;~~
- 14                           (h) ~~Foreign language classes;~~
- 15                           (i) ~~Library and media services;~~
- 16                           (j) ~~Summer programs;~~
- 17                           (k) ~~Supplemental instruction programs; and~~
- 18                           (l) ~~Any other services approved by the superintendent of public-~~
- 19    ~~instruction.~~
- 20                           e. ~~For purposes of this subsection, if a regional education association became-~~
- 21    ~~operational before July 1, 2005, the 2005-06 school year must be considered the-~~
- 22    ~~provider's first year of operation.~~
- 23                           5. The joint powers agreement ~~provides~~must provide:
- 24                           a. Criteria for the future participation of school districts that were not parties to the
- 25    original joint powers agreement;
- 26                           b. An application process by which school districts that were not parties to the
- 27    original joint powers agreement can become participating districts; and
- 28                           c. A process by which school districts that were not parties to the original joint
- 29    powers agreement and whose application to participate in the agreement was
- 30    denied can appeal the decision to the superintendent of public instruction.

1     ~~6-5.~~   The joint powers agreement ~~provides~~must provide for the employment and  
2            compensation of staff.

3     ~~7-6.~~   The joint powers agreement must:

4           a.   ~~Establishes~~Establish the number of members on the governing board;

5           b.   ~~Establishes~~Establish the manner in which members of the governing board are  
6            determined;

7           c.   ~~Requires all members~~Require that each member of the governing board ~~or their~~  
8            ~~designees to be individuals~~be an individual currently serving on the board of a  
9            participating school district or the designee of a participating school district's  
10          board; and

11          d.   ~~Allows~~Allow for the inclusion of ex officio nonvoting members on the governing  
12          board.

13     ~~8-7.~~   The joint powers agreement ~~provides~~must provide that the board of the regional  
14            education association shall meet at least quarterly.

15     ~~9-8.~~   The joint powers agreement ~~does~~may not permit the regional education association to  
16            compensate members of the regional education association board for attending  
17            meetings of the board and does not permit the regional education association to  
18            reimburse members of the board for any expenses incurred in attending meetings of  
19            the board.

20            **SECTION 4.** A new section to chapter 15.1-09.1 of the North Dakota Century Code is  
21    created and enacted as follows:

22            **Regional education association - Services to be offered.**

23            1.   In order to be eligible for state funding, a regional education association must offer the  
24            following services to its member districts:

25            a.   Coordination and facilitation of professional development activities for teachers  
26            and administrators employed by its member districts;

27            b.   Supplementation of technology support services;

28            c.   Assistance with achieving school improvement goals identified by the  
29            superintendent of public instruction;

30            d.   Assistance with the collection, analysis, and interpretation of student  
31            achievement data; and

- 1           e. Assistance with the expansion and enrichment of curricular offerings.  
2           2. Subsection 1 does not preclude a regional education association from offering  
3           additional services to its member districts.

4           **SECTION 5.** A new section to chapter 15.1-18.2 of the North Dakota Century Code is  
5 created and enacted as follows:

6           **Professional development advisory committee - Compensation of members.**

7           Each member of the professional development advisory committee, is entitled to receive  
8 reimbursement for expenses as provided by law for state officers if the member is attending  
9 meetings or performing duties directed by the committee.

10          **SECTION 6.** A new section to chapter 15.1-18.2 of the North Dakota Century Code is  
11 created and enacted as follows:

12          **Teacher support program - Establishment.**

13          The education standards and practices board shall:

- 14          1. Establish and administer a teacher support program;  
15          2. Employ an individual to serve as a teacher support program coordinator;  
16          3. a. Select and train experienced teachers who will serve as mentors for first-year  
17             teachers and assist the first-year teachers with instructional skills development;  
18             or  
19          b. If a school district or other employing entity listed in section 8 of this Act is not in  
20             need of mentors for its first-year teachers, select and train experienced teachers  
21             who will work with school district administrators and administrators from the other  
22             employing entities to identify the needs of the non-first-year teachers and help  
23             the non-first-year teachers address their particular needs through the use of:  
24             (1) Research-validated interventions; and  
25             (2) Proven instructional methods.

26          **SECTION 7.** A new section to chapter 15.1-18.2 of the North Dakota Century Code is  
27 created and enacted as follows:

28          **Teacher support program - Availability of services.**

29          The education standards and practices board may use any moneys it receives for the  
30 teacher support program to provide staff compensation, training, evaluation, and stipends for  
31 mentors and experienced teachers who assist first-year and non-first-year teachers participating

1 in the program, and to pay for any other administrative expenses resulting from the program;  
2 provided, however, that the board may not expend more than five percent of the moneys for  
3 administrative purposes.

4 **SECTION 8.** A new section to chapter 15.1-18.2 of the North Dakota Century Code is  
5 created and enacted as follows:

6 **Teacher support program - Authorized service recipients.**

7 The education standards and practices board may provide support services to teachers  
8 employed by:

- 9 1. School districts;
- 10 2. Special education units;
- 11 3. Area career and technology centers;
- 12 4. Regional education associations; and
- 13 5. Schools funded by the bureau of Indian education.

14 **SECTION 9. AMENDMENT.** Section 15.1-20-01 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **15.1-20-01. Compulsory attendance.**

17 A student's formal schooling must begin with a kindergarten program that meets the  
18 requirements of section 15.1-22-02 and must include all other grades from one through twelve.

- 19 1. a. Any person having responsibility for a child between the ages of ~~seven~~six and  
20 sixteen years shall ensure that the child is in attendance at a public school for the  
21 duration of each school year.
- 22 b. Beginning July 1, 2015, any person having responsibility for a child between the  
23 ages of six and seventeen years shall ensure that the child is in attendance at a  
24 public school for the duration of each school year.
- 25 2. If a person enrolls a child of age ~~six~~five in a public school, the person shall ensure that  
26 the child is in attendance at the public school for the duration of each school year. The  
27 person may withdraw a child of age ~~six~~five from the public school. However, once the  
28 child is withdrawn, the person may not reenroll the child until the following school year.  
29 This subsection does not apply if the reason for the withdrawal is the child's relocation  
30 to another school district.



1           3. This section does not apply if a child is exempted under the provisions of section  
2           15.1-20-02.

3           **SECTION 10. AMENDMENT.** Section 15.1-21-02.1 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5           **15.1-21-02.1. High school graduation--~~Diplomadiploma~~ - Minimum requirements.**

6           Except as provided in section 15.1-21-02.3, before a school district, a nonpublic high  
7 school, or the center for distance education issues a high school diploma to a student, the  
8 student must have successfully completed the following ~~twenty-two units of high school~~  
9 ~~coursework~~:

- 10           1. ~~Four units of English language arts from a sequence that includes literature,~~  
11           ~~composition, and speech;~~
- 12           2. ~~Three units of mathematics;~~
- 13           3. ~~Three units of science, including:~~
  - 14           a. ~~One unit of physical science;~~
  - 15           b. ~~One unit of biology; and~~
  - 16           c. ~~(1) One unit of any other science; or~~
  - 17           ~~(2) Two one-half units of any other science;~~
- 18           4. ~~Three units of social studies, including:~~
  - 19           a. ~~One unit of United States history;~~
  - 20           b. ~~(1) One-half unit of United States government and one-half unit of economics;~~  
21           ~~or~~  
22           ~~(2) One unit of problems of democracy; and~~
  - 23           c. ~~One unit or two one-half units of any other social studies, which may include-~~  
24           ~~civics, civilization, geography and history, multicultural studies, North Dakota-~~  
25           ~~studies, psychology, sociology, and world history;~~
- 26           5. a. ~~One unit of physical education; or~~  
27           b. ~~One-half unit of physical education and one-half unit of health;~~
- 28           6. ~~Three units of:~~
  - 29           a. ~~Foreign languages;~~
  - 30           b. ~~Native American languages;~~
  - 31           c. ~~Fine arts; or~~

- 1 d. Career and technical education courses; and
- 2 7. Any five additional units:
- 3 1. The twenty-two units of high school coursework set forth in section 8 of this Act; and
- 4 2. Any additional units of high school coursework required by the issuing entity.

5 **SECTION 11.** A new section to chapter 15.1-21 of the North Dakota Century Code is  
6 created and enacted as follows:

7 **High school graduation - Minimum requirements.**

8 Except as provided in section 15.1-21-02.3, the following twenty-two units of high school  
9 coursework constitute the minimum requirement for high school graduation:

- 10 1. Four units of English language arts from a sequence that includes literature,  
11 composition, and speech;
- 12 2. Three units of mathematics;
- 13 3. Three units of science, including:
  - 14 a. One unit of physical science;
  - 15 b. One unit of biology; and
  - 16 c. (1) One unit of any other science; or  
17 (2) Two one-half units of any other science;
- 18 4. Three units of social studies, including:
  - 19 a. One unit of United States history;
  - 20 b. (1) One-half unit of United States government and one-half unit of economics;  
21 or  
22 (2) One unit of problems of democracy; and
  - 23 c. One unit or two one-half units of any other social studies, which may include  
24 civics, civilization, geography and history, multicultural studies, North Dakota  
25 studies, psychology, sociology, and world history;
- 26 5. a. One unit of physical education; or  
27 b. One-half unit of physical education and one-half unit of health;
- 28 6. Three units of:
  - 29 a. Foreign languages;
  - 30 b. Native American languages;
  - 31 c. Fine arts; or

1           d. Career and technical education courses; and

2           7. Any five additional units.

3           **SECTION 12. AMENDMENT.** Section 15.1-21-02.4 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5           **15.1-21-02.4. North Dakota career and technical education scholarship.**

6           Any resident student who graduates from a high school during or after the 2010-11 school  
7 year is eligible to receive a North Dakota career and technical education scholarship provided  
8 the student ~~completes all requirements set forth in subsections 1 through 5 and subsection 7 of~~  
9 ~~section 15.1-21-02.1 for a high school diploma and:~~

10          1. Completed four units of English language arts from a sequence that includes literature,  
11 composition, and speech;

12          2. Completed three units of mathematics, including:

13           a. ~~Completes one~~One unit of algebra II, as defined by the superintendent of public  
14 instruction, ~~in fulfillment of the mathematics requirement set forth in subsection 2-~~  
15 ~~of section 15.1-21-02.1; and~~

16           b. ~~Completes two~~Two units of any other mathematics;

17          3. Completed three units of science, including:

18           a. One unit of physical science;

19           b. One unit of biology; and

20           c. (1) One unit of any other science; or

21           (2) Two one-half units of any other science;

22          4. Completed three units of social studies, including:

23           a. One unit of United States history;

24           b. (1) One-half unit of United States government and one-half unit of economics;  
25           or

26           (2) One unit of problems of democracy; and

27           c. One unit or two one-half units of any other social studies, which may include  
28 civics, civilization, geography and history, multicultural studies, North Dakota  
29 studies, psychology, sociology, and world history;

30          5. a. Completed one unit of physical education; or

31          b. One-half unit of physical education and one-half unit of health;

- 1       6. Completed:
- 2           a. One unit selected from:
- 3               (1) Foreign languages;
- 4               (2) Native American languages;
- 5               (3) American sign language;
- 6               (4) Fine arts; or
- 7               (5) Career and technical education courses; and
- 8           b. Two units of a coordinated plan of study recommended by the department of
- 9               career and technical education and approved by the superintendent of public
- 10              instruction; and
- 11       ~~e.7.~~ Completed any five additional units, two of which must be in the area
- 12              of career and technical education;
- 13       2. ~~Obtains a grade of at least "C" in each unit or one-half unit required for the diploma;~~
- 14       ~~3-8.~~ a. (1) ~~Obtains~~Obtained a cumulative grade point average of at least "B"3.0 on a
- 15               4.0 grading scale, as determined by the superintendent of public instruction,
- 16               based on all high school units in which the student was enrolled; and
- 17               (2) Obtained a grade of at least "C" in each unit or one-half unit; or
- 18       b. (1) Obtained a cumulative grade point average of at least 3.0 on a 4.0 grading
- 19               scale, as determined by the superintendent of public instruction, based only
- 20               on the units required by subsections 1 through 7 of this section; and
- 21               (2) Obtained a grade of at least "C" in each unit or one-half unit; and
- 22       ~~4.9.~~ ReceivesReceived:
- 23           a. A composite score of at least twenty-four on an ACT; or
- 24           b. A score of at least five on each of three WorkKeys assessments recommended
- 25               by the department of career and technical education and approved by the
- 26               superintendent of public instruction.

27       **SECTION 13. AMENDMENT.** Section 15.1-21-02.5 of the North Dakota Century Code is

28       amended and reenacted as follows:

29       **15.1-21-02.5. North Dakota academic scholarship.**

30       Any resident student who graduates from a high school during or after the 2010-11 school

31       year is eligible to receive a North Dakota academic scholarship provided the student ~~completes~~

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1 all requirements set forth in subsections 1 through 5 and subsection 7 of section 15.1-21-02.1-  
2 for a high school diploma and:

3 1. Completed four units of English language arts from a sequence that includes literature,  
4 composition, and speech;

5 2. Completed three units of mathematics, including:

6 a. ~~Completes one~~One unit of algebra II, as defined by the superintendent of public  
7 instruction, in fulfillment of the mathematics requirement set forth in subsection 2-  
8 of section 15.1-21-02.1; and

9 b. ~~Completes one~~One additional unit of mathematics for which algebra II, as defined  
10 by the superintendent of public instruction, is a prerequisite; and

11 e.3. ~~Completes~~Completed three units of science, including:

12 a. One unit of physical science;

13 b. One unit of biology; and

14 c. (1) One unit of any other science; or

15 (2) Two one-half units of any other science;

16 4. Completed three units of social studies, including:

17 a. One unit of United States history;

18 b. (1) One-half unit of United States government and one-half unit of economics;  
19 or

20 (2) One unit of problems of democracy; and

21 c. One unit or two one-half units of any other social studies, which may include  
22 civics, civilization, geography and history, multicultural studies, North Dakota  
23 studies, psychology, sociology, and world history;

24 5. a. Completed one unit of physical education; or

25 b. One-half unit of physical education and one-half unit of health;

26 6. a. Completed:

27 (1) Two units of the same foreign or native American language;

28 (2) ~~One unit of fine arts or career and technical education~~American sign  
29 language; and

30 (3)b. ~~One unit of a foreign or native~~selected from:

31 (1) Foreign languages;

- 1                   (2) Native American language, finelanguages;
- 2                   (3) American sign language;
- 3                   (4) Fine arts, or career; or
- 4                   (5) Career and technical education;
- 5       2. ~~Obtains a grade of at least "C" in each unit or one-half unit required for the diploma;~~
- 6       3-7. ~~Obtains~~Completed any five additional units, one of which must be in the area of fine
- 7                   arts or career and technical education;
- 8       8. a. (1) Obtained a cumulative grade point average of at least "B"3.0 on a 4.0
- 9                   grading scale, as determined by the superintendent of public instruction, \_
- 10                   based on all high school units in which the student was enrolled; and
- 11                   (2) Obtained a grade of at least "C" in each unit or one-half unit; or
- 12       b. (1) Obtained a cumulative grade point average of at least 3.0 on a 4.0 grading
- 13                   scale, as determined by the superintendent of public instruction, based only
- 14                   on the units required by subsections 1 through 7 of this section; and
- 15                   (2) Obtained a grade of at least "C" in each unit or one-half unit;
- 16       4-9. ~~Receives~~Received a composite score of at least twenty-four on an ACT; and
- 17       5-10. a. ~~Completes~~Fulfilled any one unit requirement set forth in subsections 1 through 7
- 18                   of this section by means of an advanced placement course and examination; or
- 19                   b. Fullfilled any one-half unit requirement set forth in subsections 1 through 7 of this
- 20                   section by means of a dual-credit course.

21       **SECTION 14. AMENDMENT.** Section 15.1-21-02.6 of the North Dakota Century Code is  
22 amended and reenacted as follows:

23       **15.1-21-02.6. North Dakota scholarship - Amount - Applicability.**

- 24       1. ~~The state board of higher education shall provide to any student certified as being~~
- 25                   ~~eligible by the superintendent of public instruction either a North Dakota academic~~
- 26                   ~~scholarship or a North Dakota career and technical education scholarship in the~~
- 27                   ~~amount of seven hundred fifty dollars for each semester during which the student is~~
- 28                   ~~enrolled full time at an accredited institution of higher education in this state and~~
- 29                   ~~maintains a cumulative grade point average of 2.75.~~If a student is determined by the
- 30                   superintendent of public instruction to have met the requirements for a North Dakota

- 1 career and technical education scholarship or a North Dakota academic scholarship,  
2 the student is eligible to receive:
- 3 a. At the beginning of the student's first year of higher education, a scholarship in  
4 the amount of one thousand five hundred dollars, provided the student is enrolled  
5 full time at an accredited institution of higher education in this state; and
- 6 b. At the beginning of the semester marking the student's second year of higher  
7 education and each semester thereafter, a scholarship in the amount of seven  
8 hundred fifty dollars, provided that during the immediately preceding semester  
9 the student:
- 10 (1) Maintained a cumulative grade point average of 2.75; and  
11 (2) Maintained enrollment, throughout the semester, in a minimum of fifteen  
12 units.
- 13 2. If at the conclusion of the first semester of the student's first year the state board of  
14 higher education determines that the student was unable to maintain a grade point  
15 average of 2.75, the board shall forward a letter of warning to the student and  
16 articulate the consequences with respect to the student's continued eligibility for a  
17 scholarship.
- 18 3. If at the conclusion of the student's first year, or any semester thereafter, a student has  
19 failed to meet the requirements for a scholarship, as set forth in subdivision b of  
20 subsection 1, the student, at the conclusion of the ensuing semester, may apply to the  
21 state board of higher education for reinstatement of the scholarship, provided the  
22 student can demonstrate compliance with the requirements of subdivision b of  
23 subsection 1. However, if a student fails to meet the requirements of subdivision b of  
24 subsection 1 for a second time, that student may not receive any additional  
25 scholarships under this section.
- 26 2.4. A student is not entitled to receive more than six thousand dollars in scholarships  
27 under this section.
- 28 3.5. The state board of higher education shall forward ~~the scholarship~~ all scholarships  
29 under this section directly to the institution ~~in~~ at which the student is enrolled.

- 1     4.6. This section does not require a student to be enrolled in consecutive semesters.  
2             However, a scholarship under this section is valid only for six academic years after the  
3             student's graduation from high school and may not be applied to graduate programs.
- 4     5.7. A scholarship under this section is available to any eligible student who graduates  
5             from a high school in this state or from a high school in a bordering state under  
6             chapter 15.1-29.
- 7     8. The state board of higher education shall monitor each scholarship recipient to ensure  
8             that the student meets the academic and other requirements of this section. Upon  
9             determining that a recipient student has failed to meet the requirements of this section,  
10            the board shall provide notification to the student within five days.

11     **SECTION 15.** A new section to chapter 15.1-21 of the North Dakota Century Code is  
12     created and enacted as follows:

13     **North Dakota scholarship fund - Biannual transfer - Continuing appropriation.**

- 14     1. Once each semester, the state board of higher education shall certify to the state  
15             treasurer the amount necessary to provide the North Dakota academic scholarships  
16             and the North Dakota career and technical education scholarships, as set forth in  
17             sections 15.1-21-02.4 and 15.1-21-02.5.
- 18     2. Upon receiving the certification, the state treasurer shall transfer the certified amount  
19             from the interest and other income of the lands and minerals trust fund to the North  
20             Dakota scholarship fund.
- 21     3. All moneys in the North Dakota scholarship fund are appropriated on a continuing  
22             basis to the state board of higher education for the exclusive purpose of providing  
23             North Dakota academic scholarships and North Dakota career and technical education  
24             scholarships.

25     **SECTION 16. AMENDMENT.** Section 15.1-21-08 of the North Dakota Century Code is  
26     amended and reenacted as follows:

27     **15.1-21-08. Reading, mathematics, and science - Administration of test.**

- 28     1. The superintendent of public instruction shall administer to public school students a  
29             test that is aligned to the state content and achievement standards in reading and  
30             mathematics. This test must be administered ~~to all public school students in at least~~  
31             ~~one grade level selected within each of the following grade spans: grades three-~~



1 through five; ~~grades six through nine; and grades ten through twelve.~~ Beginning no-  
2 later than the 2005-06 school year and annually thereafter, the superintendent of  
3 public instruction shall administer the reading and mathematics test annually to all  
4 public school students in grades three, four, five, six, seven, eight, and eleven.

- 5 2. ~~Beginning no later than the 2007-08 school year and annually thereafter, the~~The  
6 superintendent of public instruction shall administer a test that is aligned to the state  
7 content and achievement standards in science. This test must be administered to all  
8 public school students in at least one grade level selected from three through five; in at  
9 least one grade level selected from six through nine; and in grade eleven. The  
10 superintendent of public instruction may not administer the grade eleven test after  
11 December first of each school year.

12 **SECTION 17. AMENDMENT.** Section 15.1-21-18 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **15.1-21-18. Career interest inventory - Educational and career planning -**  
15 **Consultation.**

- 16 1. A school district shall administer to students, once during their enrollment in grade  
17 seven or eight and once during their enrollment in grade nine or ten, a career interest  
18 inventory recommended by the department of career and technical education and  
19 approved by the superintendent of public instruction.
- 20 2. At least once during the seventh or eighth grade, each school district shall arrange for  
21 students to participate in either an individual consultative process or a nine-week  
22 course, for the purpose of discussing the results of their career interest inventory,  
23 selecting high school courses appropriate to their educational pursuits and career  
24 interests, and developing individual high school education plans.
- 25 3. Each school district shall notify its high school students that, upon request, a student is  
26 entitled to receive a consultative review of the student's individual high school  
27 education plan at least once during each high school grade. Upon the request of a  
28 student, the school district shall provide the consultative review.
- 29 4. Each school district shall verify compliance with the requirements of this section at the  
30 time and in the manner required by the superintendent of public instruction.

1       **SECTION 18. AMENDMENT.** Section 15.1-21-19 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **15.1-21-19. Summative assessment - Selection - Cost - Exemptions.**

- 4       1. Except as otherwise provided, each public and nonpublic school student in grade  
5 eleven shall take the ACT, including the writing test, or three WorkKeys assessments,  
6 including the writing test, recommended by the department of career and technical  
7 education and approved by the superintendent of public instruction. The student shall  
8 determine which summative assessment to take. ~~The student's school district of~~  
9 ~~residence~~ superintendent of public instruction is responsible for the cost of procuring  
10 and administering one summative assessment ~~and its administration~~ per student.
- 11       2. The student's career advisor or guidance counselor shall meet with the student to  
12 review the student's assessment results.
- 13       3. A school district superintendent or a school administrator in the case of a nonpublic  
14 school student may exempt a student from the requirements of this section if taking  
15 the test is not required by the student's individualized education program plan or if  
16 other special circumstances exist.
- 17       4. ~~If the superintendent of public instruction determines that the cost of the summative~~  
18 ~~assessment and its administration can be reduced through use of a state procurement~~  
19 ~~process, the superintendent shall work with the school districts to procure and arrange~~  
20 ~~for the administration of the assessment and shall withhold each district's share of the~~  
21 ~~total cost from any state aid otherwise payable to the district.~~ At the time and in the  
22 manner determined by the superintendent of public instruction, each school district  
23 superintendent and each school administrator in the case of a nonpublic school shall  
24 report the number of eleventh grade students who:
- 25       a. Took the ACT, including the writing test;  
26       b. Took the three WorkKeys assessments; and  
27       c. Were exempted from the requirements of this section, together with the reason  
28       for each exemption.

29       **SECTION 19. AMENDMENT.** Section 15.1-22-01 of the North Dakota Century Code is  
30 amended and reenacted as follows:

1       **15.1-22-01. Kindergarten - Establishment by board - Request by parent - Levy.**

- 2       1. ~~Upon its own motion, the~~The board of a school district may~~shall~~ establish a free public  
3       kindergarten.
- 4       2. ~~If the board receives a written request to provide kindergarten from the parent of a~~  
5       ~~student who will be enrolled in the kindergarten, the~~The board shall either provide at  
6       least a half-day kindergarten program for ~~the student~~any student enrolled in the district  
7       or pay the tuition required for the student to attend at least a half-day kindergarten  
8       program in another school district.
- 9       3. The board of a school district that establishes a kindergarten under this section may  
10      levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2.

11      **SECTION 20. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is  
12      amended and reenacted as follows:

13      **15.1-27-03.1. (Effective through June 30, 2011) Weighted average daily membership --**  
14      **Determination.**

- 15      1. ~~For each school district, the superintendent of public instruction shall multiply by:~~
- 16      a. ~~1.00 the number of full-time equivalent students enrolled in a migrant summer-~~  
17      ~~program;~~
- 18      b. ~~1.00 the number of full-time equivalent students enrolled in an extended-~~  
19      ~~educational program in accordance with section 15.1-32-17;~~
- 20      c. ~~0.60 the number of full-time equivalent students enrolled in a summer education-~~  
21      ~~program;~~
- 22      d. ~~0.50 the number of full-time equivalent students enrolled in a home-based-~~  
23      ~~education program and monitored by the school district under chapter 15.1-23;~~
- 24      e. ~~0.30 the number of full-time equivalent students who on a test of English-~~  
25      ~~language proficiency approved by the superintendent of public instruction are-~~  
26      ~~determined to be least proficient and are enrolled in a program of instruction for~~  
27      ~~English language learners;~~
- 28      f. ~~0.25 the number of full-time equivalent students enrolled in an alternative high-~~  
29      ~~school;~~
- 30      g. ~~0.25 the number of full-time equivalent students enrolled in an isolated-~~  
31      ~~elementary school;~~

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- 1           h. ~~0.25 the number of full-time equivalent students enrolled in an isolated high-~~  
2           ~~school;~~
- 3           i. ~~0.20 the number of full-time equivalent students attending school in a bordering-~~  
4           ~~state in accordance with section 15.1-29-01;~~
- 5           j. ~~0.20 the number of full-time equivalent students who on a test of English-~~  
6           ~~language proficiency approved by the superintendent of public instruction are~~  
7           ~~determined to be not proficient and are enrolled in a program of instruction for~~  
8           ~~English language learners;~~
- 9           k. ~~0.17 the number of full-time equivalent students enrolled in an early childhood-~~  
10           ~~special education program;~~
- 11           l. ~~0.07 the number of students enrolled in average daily membership, in order to~~  
12           ~~support the provision of special education services;~~
- 13           m. ~~0.07 the number of full-time equivalent students who on a test of English-~~  
14           ~~language proficiency approved by the superintendent of public instruction are~~  
15           ~~determined to be somewhat proficient and are enrolled in a program of instruction~~  
16           ~~for English language learners;~~
- 17           n. ~~0.004 the number of students enrolled in average daily membership in a school-~~  
18           ~~district that is a participating member of a regional education association meeting~~  
19           ~~the requirements of chapter 15.1-09.1; and~~
- 20           o. ~~0.002 the number of students enrolled in average daily membership, in order to~~  
21           ~~support technology.~~
- 22           2. ~~The superintendent of public instruction shall determine each school district's weighted-~~  
23           ~~average daily membership by adding the products derived under subsection 1 to the~~  
24           ~~district's average daily membership.~~
- 25           **~~(Effective after June 30, 2011) Weighted average daily membership - Determination.~~**
- 26           1. For each school district, the superintendent of public instruction shall multiply by:
- 27           a. 1.00 the number of full-time equivalent students enrolled in a migrant summer  
28           program;
- 29           b. 1.00 the number of full-time equivalent students enrolled in an extended  
30           educational program in accordance with section 15.1-32-17;

- 1 c. 0.60 the number of full-time equivalent students enrolled in a summer education  
2 program;
- 3 d. 0.50 the number of full-time equivalent students enrolled in a home-based  
4 education program and monitored by the school district under chapter 15.1-23;
- 5 e. 0.30 the number of full-time equivalent students who ~~are~~  
6 (1) On a test of English language proficiency approved by the superintendent of  
7 public instruction are determined to be least proficient and placed in the first  
8 of six categories of proficiency; and are  
9 (2) Are enrolled in a program of instruction for English language learners;
- 10 f. 0.25 the number of full-time equivalent students enrolled in an alternative high  
11 school;
- 12 ~~g. 0.25 the number of full-time equivalent students enrolled in an isolated-~~  
13 ~~elementary school;~~
- 14 ~~h. 0.25 the number of full-time equivalent students enrolled in an isolated high-~~  
15 ~~school;~~
- 16 ~~i. 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 ~~j-h.~~ 0.20 the number of full-time equivalent students who ~~are~~  
19 (1) On a test of English language proficiency approved by the superintendent of  
20 public instruction are determined to be ~~not~~more proficient than students  
21 placed in the first of six categories of proficiency and therefore placed in the  
22 second of six categories of proficiency; and are  
23 (2) Are enrolled in a program of instruction for English language learners;
- 24 ~~k-i.~~ 0.17 the number of full-time equivalent students enrolled in an early childhood  
25 special education program;
- 26 ~~t-j.~~ 0.070.10 the number of students enrolled in average daily membership, if the  
27 district has fewer than one hundred students enrolled in average daily  
28 membership and the district consists of an area greater than two hundred  
29 seventy-five square miles [19424.9 hectares], provided that any school district  
30 consisting of an area greater than six hundred square miles [155399 hectares]  
31 and enrolling fewer than fifty students in average daily membership must be

1 deemed to have an enrollment equal to fifty students in average daily  
2 membership;

3 k. 0.073 the number of students enrolled in average daily membership, in order to  
4 support the provision of special education services;

5 ~~m-l.~~ 0.07 the number of full-time equivalent students who ~~en:~~

6 (1) On a test of English language proficiency approved by the superintendent of  
7 public instruction are determined to be somewhat more proficient and

8 are than students placed in the second of six categories of proficiency and  
9 therefore placed in the third of six categories of proficiency;

10 (2) Are enrolled in a program of instruction for English language learners; and

11 (3) Have not been in the third of six categories of proficiency for more than  
12 three years;

13 ~~n-m.~~ 0.025 the number of students representing that percentage of the total number of  
14 students in average daily membership which is equivalent to the three-year  
15 average percentage of students in grades three through eight who are eligible for  
16 free or reduced lunches under the Richard B. Russell National School Lunch Act  
17 [42 U.S.C. 1751 et seq.];

18 n. 0.006 the number of students enrolled in average daily membership in each  
19 public school in the district that:

20 (1) Has acquired and is utilizing the PowerSchool student information system;

21 (2) Has acquired and is in the process of implementing the PowerSchool  
22 student information system; or

23 (3) Will acquire the PowerSchool student information system during the current  
24 school year, provided the acquisition is contractually demonstrated; and

25 o. 0.004 the number of students enrolled in average daily membership in a school  
26 district that is a participating member of a regional education association meeting  
27 the requirements of chapter 15.1-09.1; ~~and~~

28 ~~p. 0.002 the number of students enrolled in average daily membership, in order to~~  
29 ~~support technology.~~

- 1           2. The superintendent of public instruction shall determine each school district's weighted  
2           average daily membership by adding the products derived under subsection 1 to the  
3           district's average daily membership.

4           **SECTION 21. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6           **15.1-27-03.1. (Effective through June 30, 2011) Weighted average daily membership--**  
7 **Determination.**

- 8           1. For each school district, the superintendent of public instruction shall multiply by:  
9           a. ~~1.00 the number of full-time equivalent students enrolled in a migrant summer-~~  
10           ~~program;~~  
11           b. ~~1.00 the number of full-time equivalent students enrolled in an extended-~~  
12           ~~educational program in accordance with section 15.1-32-17;~~  
13           c. ~~0.60 the number of full-time equivalent students enrolled in a summer education-~~  
14           ~~program;~~  
15           d. ~~0.50 the number of full-time equivalent students enrolled in a home-based~~  
16           ~~education program and monitored by the school district under chapter 15.1-23;~~  
17           e. ~~0.30 the number of full-time equivalent students who on a test of English-~~  
18           ~~language proficiency approved by the superintendent of public instruction are~~  
19           ~~determined to be least proficient and are enrolled in a program of instruction for~~  
20           ~~English language learners;~~  
21           f. ~~0.25 the number of full-time equivalent students enrolled in an alternative high-~~  
22           ~~school;~~  
23           g. ~~0.25 the number of full-time equivalent students enrolled in an isolated-~~  
24           ~~elementary school;~~  
25           h. ~~0.25 the number of full-time equivalent students enrolled in an isolated high-~~  
26           ~~school;~~  
27           i. ~~0.20 the number of full-time equivalent students attending school in a bordering-~~  
28           ~~state in accordance with section 15.1-29-01;~~  
29           j. ~~0.20 the number of full-time equivalent students who on a test of English-~~  
30           ~~language proficiency approved by the superintendent of public instruction are~~

- 1                   determined to be not proficient and are enrolled in a program of instruction for  
2                   English language learners;
- 3           k.   ~~0.17 the number of full-time equivalent students enrolled in an early childhood~~  
4                   special education program;
- 5           l.   ~~0.07 the number of students enrolled in average daily membership, in order to~~  
6                   support the provision of special education services;
- 7           m.   ~~0.07 the number of full-time equivalent students who on a test of English~~  
8                   language proficiency approved by the superintendent of public instruction are  
9                   determined to be somewhat proficient and are enrolled in a program of instruction  
10                  for English language learners;
- 11          n.   ~~0.004 the number of students enrolled in average daily membership in a school~~  
12                  district that is a participating member of a regional education association meeting  
13                  the requirements of chapter 15.1-09.1; and
- 14          o.   ~~0.002 the number of students enrolled in average daily membership, in order to~~  
15                  support technology.
- 16    2.   ~~The superintendent of public instruction shall determine each school district's weighted~~  
17                  average daily membership by adding the products derived under subsection 1 to the  
18                  district's average daily membership.
- 19    **(Effective after June 30, 2011) Weighted average daily membership - Determination.**
- 20    1.   For each school district, the superintendent of public instruction shall multiply by:
- 21          a.   1.00 the number of full-time equivalent students enrolled in a migrant summer  
22                  program;
- 23          b.   1.00 the number of full-time equivalent students enrolled in an extended  
24                  educational program in accordance with section 15.1-32-17;
- 25          c.   0.60 the number of full-time equivalent students enrolled in a summer education  
26                  program;
- 27          d.   0.50 the number of full-time equivalent students enrolled in a home-based  
28                  education program and monitored by the school district under chapter 15.1-23;
- 29          e.   0.30 the number of full-time equivalent students who ~~en~~;



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 are

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. ~~0.25 the number of full-time equivalent students enrolled in an isolated-~~  
8                   elementary school;

9                   h. ~~0.25 the number of full-time equivalent students enrolled in an isolated high-~~  
10                  school;

11                  i. 0.20 the number of full-time equivalent students in grades six through eight  
12                  enrolled in an alternative education program for at least an average of fifteen  
13                  hours per week;

14                  h. 0.20 the number of full-time equivalent students attending school in a bordering  
15                  state in accordance with section 15.1-29-01;

16                  j-i. 0.20 the number of full-time equivalent students who are;

17                  (1) On a test of English language proficiency approved by the superintendent of  
18                  public instruction are determined to be ~~not~~more proficient than students  
19                  placed in the first of six categories of proficiency and therefore placed in the  
20                  second of six categories of proficiency; and are

21                  (2) Are enrolled in a program of instruction for English language learners;

22                  k-j. 0.17 the number of full-time equivalent students enrolled in an early childhood  
23                  special education program;

24                  l-k. ~~0.07~~0.10 the number of students enrolled in average daily membership, if the  
25                  district has fewer than one hundred students enrolled in average daily  
26                  membership and the district consists of an area greater than two hundred  
27                  seventy-five square miles [19424.9 hectares], provided that any school district  
28                  consisting of an area greater than six hundred square miles [155399 hectares]  
29                  and enrolling fewer than fifty students in average daily membership must be  
30                  deemed to have an enrollment equal to fifty students in average daily  
31                  membership;

- 1           l. ~~0.073~~ the number of students enrolled in average daily membership, in order to  
2           support the provision of special education services;
- 3           m. 0.07 the number of full-time equivalent students who ~~are~~  
4           (1) On a test of English language proficiency approved by the superintendent of  
5           public instruction are determined to be somewhat more proficient and  
6           are than students placed in the second of six categories of proficiency;  
7           (2) Are enrolled in a program of instruction for English language learners; and  
8           (3) Have not been in the third of six categories of proficiency for more than  
9           three years;
- 10          n. 0.025 the number of students representing that percentage of the total number of  
11          students in average daily membership which is equivalent to the three-year  
12          average percentage of students in grades three through eight who are eligible for  
13          free or reduced lunches under the Richard B. Russell National School Lunch Act  
14          [42 U.S.C. 1751 et seq.];
- 15          o. 0.006 the number of students enrolled in average daily membership in each  
16          public school in the district that:  
17          (1) Has acquired and is utilizing the PowerSchool student information system;  
18          (2) Has acquired and is in the process of implementing the PowerSchool  
19          student information system; or  
20          (3) Will acquire the PowerSchool student information system during the current  
21          school year, provided the acquisition is contractually demonstrated; and
- 22          p. 0.004 the number of students enrolled in average daily membership in a school  
23          district that is a participating member of a regional education association meeting  
24          the requirements of chapter 15.1-09.1; ~~and~~
- 25          ~~p. 0.002 the number of students enrolled in average daily membership, in order to~~  
26          ~~support technology.~~
- 27          2. The superintendent of public instruction shall determine each school district's weighted  
28          average daily membership by adding the products derived under subsection 1 to the  
29          district's average daily membership.

30           **SECTION 22. AMENDMENT.** Section 15.1-27-04 of the North Dakota Century Code is  
31    amended and reenacted as follows:

1       **15.1-27-04. Per student payment rate.**

- 2       1.   a.   The per student payment rate to which each school district is entitled for the first  
3           year of the biennium is three thousand ~~two~~nine hundred ~~sixty~~one dollars.
- 4       b.   The per student payment rate to which each school district is entitled for the  
5           second year of the biennium is three thousand ~~seven~~nine hundred  
6           ~~seventy-nine~~sixty-one dollars.
- 7       2.   In order to determine the state aid payment to which each district is entitled, the  
8           superintendent of public instruction shall multiply each district's weighted student units  
9           by the per student payment rate set forth in subsection 1.

10       **SECTION 23. AMENDMENT.** Section 15.1-27-07.2 of the North Dakota Century Code is  
11   amended and reenacted as follows:

12       **15.1-27-07.2. Baseline funding - Determination - Minimum and maximum allowable**  
13   **increases.**

- 14       1.   The superintendent of public instruction shall determine each school district's baseline  
15           funding per weighted student unit by:
- 16       a.   Adding together all state aid received by the district during the 2006-07 school  
17           year;
- 18       b.   Subtracting the amount received by the district during the 2006-07 school year  
19           for transportation aid, special education excess cost reimbursements, special  
20           education contracts, prior year funding adjustments, and per student payments  
21           for participation in educational associations governed by joint powers  
22           agreements; and
- 23       c.   Dividing the amount determined under subdivision b by the district's 2007-08  
24           weighted student units.
- 25       2.   a.   The superintendent of public instruction shall ensure that the total amount of  
26           state aid payable to a district per weighted student unit, for the 2009-10 school  
27           year, is at least equal to one hundred eight percent of the baseline funding per  
28           weighted student unit, as established in subsection 1.
- 29       b.   The superintendent of public instruction shall ensure that the total amount of  
30           state aid payable to a district per weighted student unit, for each school year after  
31           the 2009-10 school year, is at least equal to one hundred twelve and one-half

- 1                   percent of the baseline funding per weighted student unit, as established in  
2                   subsection 1.
- 3       3.   a.   The superintendent of public instruction shall ensure that the total amount of  
4                   state aid payable to a district per weighted student unit, less any amount received  
5                   as equity payments under section 15.1-27-11 per weighted student unit, does not  
6                   exceed, for the ~~2009-10~~2011-12 school year, one hundred ~~twenty~~forty-two  
7                   percent of the baseline funding per weighted student unit, as established in  
8                   subsection 1.
- 9       b.   ~~The superintendent of public instruction shall ensure that the total amount of~~  
10                  ~~state aid payable to a district per weighted student unit, less any amount received~~  
11                  ~~as equity payments under section 15.1-27-11 per weighted student unit, does not~~  
12                  ~~exceed, for each school year after the 2009-10 school year, one hundred~~  
13                  ~~thirty-four percent of the baseline funding per weighted student unit, as~~  
14                  ~~established in subsection 1.~~

15       **SECTION 24. AMENDMENT.** Section 15.1-27-11 of the North Dakota Century Code is  
16   amended and reenacted as follows:

17       **15.1-27-11. Equity payments.**

- 18       1.   The superintendent of public instruction shall:
- 19           a.   Divide the imputed taxable valuation of the state by the total average daily  
20                  membership of all school districts in the state in order to determine the state  
21                  average imputed taxable valuation per student.
- 22           b.   Divide the imputed taxable valuation of each school district by the district's total  
23                  average daily membership in order to determine each district's average imputed  
24                  taxable valuation per student.
- 25       2.   If a school district's imputed taxable valuation per student is less than ninety percent of  
26                  the statewide imputed taxable valuation per student, the superintendent of public  
27                  instruction shall calculate the valuation deficiency by:
- 28           a.   Determining the difference between ninety percent of the state average imputed  
29                  taxable valuation per student and the district's average imputed taxable valuation  
30                  per student; and
- 31           b.   Multiplying that difference by the district's total average daily membership.

- 1           3. Except as provided in subsection 4, the equity payment to which a district is entitled  
2           under this section equals the district's valuation deficiency multiplied by the lesser of:  
3           a. The district's general fund levy for the taxable year 2008; or  
4           b. One hundred eighty-five mills.
- 5           4. a. The equity payment to which a district is entitled may not exceed the district's  
6           taxable valuation multiplied by its general fund levy for the taxable year 2008.  
7           b. If a district's general fund levy for the taxable year 2008 is less than one hundred  
8           eighty-five mills, the superintendent of public instruction shall subtract the  
9           district's general fund levy for the taxable year 2008 from one hundred eighty-five  
10          mills, multiply the result by the district's taxable valuation, and subtract that result  
11          from the equity payment to which the district is otherwise entitled.  
12          c. If a district's imputed taxable valuation per student is less than fifty percent of the  
13          statewide imputed taxable valuation per student, the payment to which the district  
14          is entitled under this section may not be less than twenty percent of the statewide  
15          imputed taxable valuation per student times the school district's average daily  
16          membership, multiplied by one hundred eighty-five mills.
- 17          5. In determining the amount to which a school district is entitled under this section, the  
18          superintendent of public instruction may not include any payments received by the  
19          district as a result of Public Law No. 81-874 [64 Stat. 1100; 20 U.S.C. 236 et seq.] and  
20          may not include in the district's average daily membership students who are  
21          dependents of members of the armed forces and students who are dependents of  
22          civilian employees of the department of defense.
- 23          6. In determining the statewide average imputed taxable valuation per student for  
24          purposes of this section, the superintendent of public instruction may not include:  
25          a. Any school district, which if included in the calculation would have an imputed  
26          taxable valuation per student that is three times greater than the statewide  
27          average imputed taxable valuation per student; and  
28          b. Any school district, which if included in the calculation would have an imputed  
29          taxable valuation per student that is less than one-fifth of the statewide average  
30          imputed taxable valuation per student.
- 31          7. For purposes of this section:

- 1 a. "General fund levy" includes a district's high school transportation levy and its  
2 high school tuition levy.
- 3 b. "Imputed taxable valuation" means the valuation of all taxable real property in the  
4 district plus:
- 5 (1) An amount determined by dividing seventy percent of the district's mineral  
6 and tuition revenue, revenue from payments in lieu of property taxes on  
7 distribution and transmission of electric power, revenue from payments in  
8 lieu of taxes from electricity generated from sources other than coal, and  
9 revenue received on account of the leasing of lands acquired by the United  
10 States for flood control, navigation, and allied purposes in accordance with  
11 33 U.S.C. 701c-3 by the district's general fund mill levy for the taxable year  
12 2008; and
- 13 (2) An amount determined by dividing the district's revenue from mobile home  
14 taxes and telecommunications taxes by the district's general fund mill levy  
15 for the taxable year 2008.
- 16 c. "Mineral revenue" includes all revenue from county sources reported under code  
17 2000 of the North Dakota school district financial accounting and reporting  
18 manual as developed by the superintendent of public instruction in accordance  
19 with section 15.1-02-08.
- 20 d. "Tuition revenue" includes all revenue reported under code 1300 of the North  
21 Dakota school district financial accounting and reporting manual as developed by  
22 the superintendent of public instruction in accordance with section 15.1-02-08.  
23 "Tuition revenue" does not include tuition income received specifically for the  
24 operation of an educational program provided at a residential treatment facility.

25 **SECTION 25. AMENDMENT.** Section 15.1-27-35.3 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27 **~~15.1-27-35.3. (Effective through June 30, 2011) Payments to school districts --~~**  
28 **~~Unobligated general fund balance -- Report to legislative council.~~**

- 29 ~~1. The superintendent of public instruction shall determine the amount of payments due a~~  
30 ~~school district and shall subtract from that the amount by which the unobligated~~  
31 ~~general fund balance of the district on the preceding June thirtieth is in excess of fifty-~~

1 percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1,  
2 2008, the superintendent of public instruction shall determine the amount of payments  
3 due a school district and shall subtract from that the amount by which the unobligated  
4 general fund balance of the district on the preceding June thirtieth is in excess of  
5 forty-five percent of its actual expenditures, plus twenty thousand dollars.

6 2. In making the determination required by subsection 1, the superintendent of public  
7 instruction may not include in a district's unobligated general fund balance any  
8 moneys that:

9 a. (1) Were received by the district during the school year ending June 30, 2009,  
10 on account of the leasing of lands acquired by the United States for flood  
11 control, navigation, and allied purposes in accordance with 33 U.S.C.  
12 701e-3; and

13 (2) Exceeded the amount received by the district during the school year ending  
14 June 30, 2008, for the purpose stated in paragraph 1;

15 b. Were received directly by the district from the United States government in  
16 accordance with the American Recovery and Reinvestment Act of 2009; or

17 e. Were received by the district as supplemental one-time grants under section 52  
18 of S.L. 2009, ch. 175.

19 3. Any district having more than fifty thousand dollars excluded in the determination of its  
20 ending fund balance, as required by subsection 2, shall provide a report to the  
21 legislative council. The report, which must be presented at the time and in the manner  
22 directed by the legislative council, must address how the money was expended,  
23 including the number of mills by which the district was able to decrease its property  
24 taxes, if such was a permitted use.

25 **(Effective after June 30, 2011) Payments to school districts - Unobligated general**  
26 **fund balance.**

27 1. The superintendent of public instruction shall determine the amount of payments due a  
28 school district and shall subtract from that the amount by which the unobligated  
29 general fund balance of the district on the preceding June thirtieth is in excess of fifty-  
30 percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1,  
31 2008, the superintendent of public instruction shall determine the amount of payments

1           ~~due a school district and shall subtract from that the amount by which the unobligated-~~  
2           ~~general fund balance of the district on the preceding June thirtieth is in excess of~~  
3           ~~forty-five percent of its actual expenditures, plus twenty thousand dollars.~~

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

8           **SECTION 26. AMENDMENT.** Section 15.1-37-01 of the North Dakota Century Code is  
9           amended and reenacted as follows:

10           **15.1-37-01. Early childhood education program - Approval.**

- 11           1. Any person or school district operating an early childhood education program may  
12           request approval of the program from the superintendent of public instruction. The  
13           superintendent shall approve an early childhood education program if the program:
- 14           ~~4.a.~~ Is taught by individuals who are licensed to teach in early childhood education by  
15           the education standards and practices board;
- 16           ~~2.b.~~ Follows a developmentally appropriate curriculum; ~~and~~
- 17           ~~3.c.~~ Is in compliance with all municipal and state health, fire, and safety requirements;  
18           and
- 19           d. Limits its enrollment to children who have reached the age of four before August  
20           first of the year of enrollment.
- 21           2. Per student funding will not be provided to individuals or school districts offering a  
22           ~~prekindergarten~~ early childhood education program.

23           **SECTION 27. ISOLATED SCHOOLS - TRANSITION PAYMENTS.**

- 24           1. If during the 2010-11 school year a school district received payments as a result of  
25           section 15.1-27-15, as the section existed on June 30, 2011, and if that district is not  
26           eligible for the factor established under subdivision j of subsection 1 of section  
27           15.1-27-03.1, the district is entitled to the following transition payments:
- 28           a. For the 2011-12 school year, an amount equal to that which the district would  
29           have received under section 15.1-27-15, as the section existed on June 30, 2011;



- 1           b. For the 2012-13 school year, an amount equal to seventy-five percent of that  
2           which the district would have received under section 15.1-27-15, as the section  
3           existed on June 30, 2011;
- 4           c. For the 2013-14 school year, an amount equal to fifty percent of that which the  
5           district would have received under section 15.1-27-15, as the section existed on  
6           June 30, 2011; and
- 7           d. For the 2014-15 school year, an amount equal to twenty-five percent of that  
8           which the district would have received under section 15.1-27-15, as the section  
9           existed on June 30, 2011.
- 10          2. Upon the closure of a school that met the definition of isolated under section  
11          15.1-27-15, as it existed on June 30, 2011, the superintendent of public instruction  
12          shall cease to provide to the district the transition payments established under  
13          subsection 1.

14          **SECTION 28. TRANSPORTATION GRANTS - DISTRIBUTION.**

- 15          1. During each year of the 2011-13 biennium, the superintendent of public instruction  
16          shall calculate the payment to which each school district is entitled based on the state  
17          transportation formula as it existed on June 30, 2001, except that the superintendent  
18          shall provide reimbursement at the rate of:
- 19           a. One dollar and three cents per mile for schoolbuses having a capacity of ten or  
20           more passengers;
- 21           b. Forty-six cents per mile for vehicles having a capacity of nine or fewer  
22           passengers;
- 23           c. Forty-six cents per mile, one way, provided:
- 24           (1) The student being transported resides more than two miles from the public  
25           school that the student attends;
- 26           (2) The student is transported by an adult member of the student's family;
- 27           (3) The student is transported in a vehicle furnished by the student's parents;
- 28           and
- 29           (4) The student's transportation is paid for by the student's parents; and
- 30          d. Twenty-six cents per student for each one-way trip.

- 1        2.    The superintendent of public instruction shall use the latest available student  
2           enrollment count in each school district in applying the provisions of subsection 1.
- 3        3.    If any moneys provided for transportation payments in the grants transportation line  
4           item in the appropriation bill for the superintendent of public instruction, as approved  
5           by the sixty-second legislative assembly, remain after application of the formula  
6           provided for in this section, the superintendent of public instruction shall prorate the  
7           remaining amounts according to the percentage of the total transportation formula  
8           amount to which each school district is entitled.
- 9        4.    This section does not authorize the reimbursement of any costs incurred in providing  
10          transportation for student attendance at extracurricular activities or events.

11        **SECTION 29. USE OF NEW MONEY - TEACHER COMPENSATION INCREASES -**  
12        **REPORTS TO THE LEGISLATIVE MANAGEMENT.**

- 13        1.    During the 2011-13 biennium, the board of each school district shall use an amount  
14           equal to at least seventy percent of all new money received by the district for per  
15           student payments to increase the compensation paid to teachers and to provide  
16           compensation to teachers who begin employment with the district on or after July 1,  
17           2011.
- 18        2.    For purposes of this section, the superintendent of public instruction shall calculate the  
19           amount of new money received by a district during the 2011-13 biennium by:
  - 20           a.    Determining the total amount of state dollars received by each district during the  
21                2009-11 biennium as per student payments, provided that equity payments,  
22                transportation payments, contingency distributions, mill levy reduction payments,  
23                and technology support payments are not to be included in the total;
  - 24           b.    Determining the total amount of state dollars received by each district during the  
25                2011-13 biennium as per student payments, provided that the following are not to  
26                be included in the total:
    - 27                    (1)    Contingent distributions;
    - 28                    (2)    Cross-border attendance moneys;
    - 29                    (3)    Deferred maintenance and physical plant improvements grants;
    - 30                    (4)    Equity payments;
    - 31                    (5)    Federal education jobs funds program moneys;

- 1                   (6) Home-based education program monitoring moneys;
- 2                   (7) Mill levy reduction payments;
- 3                   (8) PowerSchool acquisition, implementation, and utilization moneys;
- 4                   (9) Regional education association moneys and grants; and
- 5                   (10) Transportation payments; and
- 6           c. Subtracting the amount arrived at under subdivision a from the amount arrived at
- 7                   under subdivision b.
- 8           3. School districts providing educational services under a cooperative agreement
- 9                   approved by the superintendent of public instruction must, for purposes of this section,
- 10                   be treated as a single district.
- 11           4. a. This section does not apply to a school district if the board of the school district,
- 12                   after a public hearing at which public testimony and documentary evidence are
- 13                   accepted, determines in its discretion and by an affirmative vote of two-thirds of
- 14                   the members of the board that complying with subsection 1 would place the
- 15                   school district in the position of having insufficient fiscal resources to meet the
- 16                   school district's other obligations.
- 17                   b. Within ten days of the vote required by subdivision a, the school board shall
- 18                   notify the superintendent of public instruction of its action and shall file a report
- 19                   detailing the grounds for its determination and action.
- 20                   c. The superintendent of public instruction shall report all notices received under
- 21                   this subsection to the legislative management.

22           **SECTION 30. CONTINGENT MONEY.** If any money appropriated to the superintendent of

23 public instruction for state aid payments to school districts remains after the superintendent

24 complies with all statutory payment obligations imposed for the biennium beginning July 1,

25 2011, and ending June 30, 2013, the superintendent shall use the remaining moneys to provide

26 additional per student payments on a prorated basis according to the latest available average

27 daily membership of each school district.

28           **SECTION 31. CONTINGENT TRANSFER BY BANK OF NORTH DAKOTA FOR SPECIAL**

29 **EDUCATION.** If during the biennium beginning July 1, 2011, and ending June 30, 2013, the

30 superintendent of public instruction determines that, using all available sources, there are

31 insufficient funds with which to fully reimburse school districts for the excess costs of serving the

1 one percent of special education students statewide who require the greatest school district  
2 expenditures in order to be provided with special education and related services, the industrial  
3 commission shall transfer from the earnings and accumulated and undivided profits of the Bank  
4 of North Dakota the amount the superintendent of public instruction certifies is necessary to  
5 provide the statutorily required level of reimbursement. The superintendent of public instruction  
6 shall file for introduction legislation requesting that the sixty-third legislative assembly return any  
7 amount transferred under this section to the Bank of North Dakota.

8 **SECTION 32. ALL-DAY KINDERGARTEN - IMPACT REPORT.** Before December 31,  
9 2011, and December 31, 2012, each school district that provided full-day kindergarten during  
10 the previous school year shall file a report with the superintendent of public instruction indicating  
11 the nature and extent of any measurable academic growth experienced by the students who  
12 were enrolled in the program.

13 **SECTION 33. LEGISLATIVE MANAGEMENT STUDY - TEACHER COMPENSATION**  
14 **REFORM.** During the 2011-12 interim, the legislative management shall consider studying ways  
15 to reform the manner in which teacher compensation is determined, with a view to recruiting,  
16 developing, and retaining a high-quality teaching workforce capable of significantly improving  
17 student performance. The legislative management shall report its findings and  
18 recommendations, together with any legislation required to implement the recommendations, to  
19 the sixty-third legislative assembly.

20 **SECTION 34. REPEAL.** Section 15.1-27-15 of the North Dakota Century Code is repealed.

21 **SECTION 35. EFFECTIVE DATE.** Section 21 of this Act becomes effective on July 1, 2013.