SECOND ENGROSSMENT

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, 15.1-21-02.6, 15.1-21-02.6, 15.1-21-08, 15.1-21-02.6, 15.1-21-02.6, 15.1-21-08, 15.1-21-02.6, 15.1-21-0 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 chapter 10 15.1-18.2 and section 15.1-27-15 of the North Dakota Century Code, relating to isolated 11 schools; to provide a continuing appropriation; to provide for compensation increases, transition-12 payments, contingent payments, and the distribution of transportation grants; to provide for a 13 legislative management study and reports; to provide an effective date; and to provide an 14 expiration date. for an Act to create and enact a new section to chapter 15.1-09.1, four new 15 sections to chapter 15.1-18.2, two new sections to chapter 15.1-21, and eight new sections to 16 chapter 15.1-27 of the North Dakota Century Code, relating to regional education associations, 17 the professional development advisory committee, North Dakota scholarships, and 18 supplemental teacher-effectiveness compensation; to amend and reenact sections 15.1-06-04. 19 15.1-07-33, 15.1-09-58, 15.1-09.1-02, 15.1-21-02.1, 15.1-21-02.4, 15.1-21-02.5, 15.1-21-02.6, 20 15.1-21-08, 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, 21 15.1-27-11, 15.1-27-35.3, 15.1-36-02, and 15.1-37-01, subsection 1 of section 15.1-37-02, and 22 sections 15.1-37-03 and 57-15-14 of the North Dakota Century Code, relating to the school 23 calendar, technology, regional education associations, curriculum requirements, assessments, 24 scholarships, student consultations, state aid, school construction funding, early childhood 25 education, care, and services, and taxable valuations; to repeal section 6 of this Act and

- 1 sections 15.1-18.2-01, 15.1-18.2-02, 15.1-18.2-03, and 15.1-27-15 of the North Dakota Century
- 2 Code, relating to professional development and isolated schools; to provide for compensation
- 3 increases, transition payments, contingent payments, and the distribution of transportation
- 4 grants, supplemented teacher-effectiveness compensation grants, alternative middle school
- 5 grants, and rapid enrollment growth grants; to provide for legislative management studies; and
- 6 to provide an effective date.

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

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

- 8 SECTION 1. AMENDMENT. Section 15.1-07-33 of the North Dakota Century Code is amended and reenacted as follows:
 - <u>15.1-07-33. Student information system Statewide coordination Financial support Exemption.</u>
 - 1. Notwithstanding any other technology requirements imposed by the superintendent of public instruction, the information technology department, or the North Dakota educational technology council, each school district shall acquire PowerSchool through the information technology department and use it as its principal student information system.
 - 2. The superintendent of public instruction shall forward that portion of a school district's state aid which is payable by the superintendent under subdivision n of subsection 1 of section 15.1-27-03.1 directly to the information technology department to reimburse the department for the cost of the school district's acquisition, implementation, or utilization of PowerSchool and any related technology support services. The superintendent shall forward the amount payable under this subsection at the same time and in the same manner as provided for other state aid payments under section 15.1-27-01.
 - 3. If the portion of a school district's state aid forwarded to the information technology department under subsection 2 exceeds the cost incurred by the information technology department in providing for the school district's acquisition, implementation, or utilization of PowerSchool and any related technology support services, the information technology department shall return the excess moneys to the

1	superintendent of public instruction for redistribution to the school district as per
2	student payments.
3	4. The superintendent of public instruction may exempt a school district from having to
4	acquire and utilize PowerSchool if the school district demonstrates that, in accordance
5	with requirements of the bureau of Indian education, the district has acquired and is
6	utilizing a student information system that is determined to be comparable by the
7	superintendent.
8	SECTION 2. AMENDMENT. Section 15.1-09-58 of the North Dakota Century Code is
9	amended and reenacted as follows:
10	— 15.1-09-58. Prekindergarten programEarly childhood education - Authorization -
11	Support.
12	1. The board of a school district may establish a prekindergartenan early childhood
13	education program and may receive and expend any statesupport that program with:
14	a. Local tax revenues, other than those necessary to support the district's
15	kindergarten program and the provision of elementary and high school
16	<u>educational services;</u>
17	<u>b.</u> <u>State</u> moneys specifically appropriated for the program, any federal;
18	<u>c.</u> <u>Federal</u> funds specifically appropriated or approved for the program, and any
19	gifts,<u>:</u> and
20	<u>d.</u> <u>Gifts, grants, and donations specifically given for the program.</u>
21	2. For purposes of this section, state moneys specifically appropriated for an early
22	childhood program are separate and distinct from those appropriated for special
23	education early childhood programs, school readiness and parent education
24	programs, and state aid for elementary and secondary education.
25	SECTION 3. AMENDMENT. Section 15.1-09.1-02 of the North Dakota Century Code is
26	amended and reenacted as follows:
27	15.1-09.1-02. Regional education association - Joint powers agreement - Review by
28	superintendent of public instruction - Criteria.
29	Beforeln order for a group of school districts mayto be designated as a regional education
30	association, the superintendent of public instruction shall review the joint powers agreement
31	that the districts have entered and verify that: the requirements of this section have been met

1	— 1. The school districts <u>must</u> :
2	a. Have a combined total land mass of at least five thousand eight hundred square-
3	miles [1502193 hectares];
4	b. (1) Have a combined total land mass of at least four thousand five hundred-
5	square miles [1165494 hectares]; and
6	——————————————————————————————————————
7	c. (1) Have a combined total land mass of at least four thousand square miles
8	[1035995 hectares]; and
9	(2) Have at least three thousand students in average daily membership; or
10	d. (1) Have a combined total land mass of at least one thousand five hundred-
11	square miles [388498 hectares]; and
12	(2) Have at least seven thousand five hundred students in average daily
13	membership.
14	2. The school districts are must be contiguous to each other or, if the districts are not
15	contiguous to each other, the superintendent of public instruction shall verify that the
16	participating districts can provide sound educational opportunities to their students in a
17	fiscally responsible manner without injuring other school districts or regional education-
18	associations and without negatively impacting the ability of other school districts or
19	regional education associations to provide sound educational opportunities to their
20	students in a fiscally responsible manner. A decision by the superintendent of public
21	instruction under this subsection may be appealed to the state board of public school-
22	education. A decision by the state board is final.
23	3. The joint powers agreement requires must require that the participating school districts
24	maintain a joint operating fund and share various administrative functions and student
25	services in accordance with subsection 4.
26	4. a. During the first two school years in which a regional education association is
27	operational, each participating school district shall share in at least two-
28	administrative functions and two student services, selected by the district.
29	b. During the third and fourth school years in which a regional education association
30	is operational, each participating school district shall share in at least three
31	administrative functions and three student services, selected by the district.

1	c. During the fifth school year in which a regional education association is-
2	operational, and each year thereafter, each participating school district shall-
3	share at least five administrative functions and five student services, selected by
4	the district.
5	d. For purposes of this subsection:
6	(1) "Administrative functions" means:
7	——————————————————————————————————————
8	(b) Career and technical education services management;
9	(c) Curriculum mapping or development;
10	——————————————————————————————————————
11	(e) Federal program support;
12	(f) Federal title program management;
13	——————————————————————————————————————
14	——————————————————————————————————————
15	(i) School safety and environment management;
16	(j) Special education services management;
17	——————————————————————————————————————
18	(I) Staff retention and recruitment;
19	——————————————————————————————————————
20	(n) Technology support; and
21	(o) Any other functions approved by the superintendent of public-
22	instruction.
23	——————————————————————————————————————
24	(a) Advanced placement classes;
25	(b) Alternative high schools or alternative high school programs;
26	(c) Career and technical education classes;
27	——————————————————————————————————————
28	——————————————————————————————————————
29	——————————————————————————————————————
30	——————————————————————————————————————
31	(h) Foreign language classes;

1	(i) Library and media services;	
2	——————————————————————————————————————	
3	(k) Supplemental instruction programs; and	
4	(I) Any other services approved by the superintendent of public	
5	instruction.	
6	e. For purposes of this subsection, if a regional education association became	
7	operational before July 1, 2005, the 2005-06 school year must be considered th	e
8	provider's first year of operation.	
9	5. The joint powers agreement provides must provide:	
10	a. Criteria for the future participation of school districts that were not parties to the	-
11	original joint powers agreement;	
12	b. An application process by which school districts that were not parties to the	
13	original joint powers agreement can become participating districts; and	
14	c. A process by which school districts that were not parties to the original joint	
15	powers agreement and whose application to participate in the agreement was	
16	denied can appeal the decision to the superintendent of public instruction.	
17	6.5. The joint powers agreement provides must provide for the employment and	
18	compensation of staff.	
19	—7. <u>6.</u> The joint powers agreement <u>must</u> :	
20	a. Establishes Establish the number of members on the governing board;	
21	b. Establishes Establish the manner in which members of the governing board are	
22	determined;	
23	c. Requires all membersRequire that each member of the governing board or their	_
24	designees to be individualsbe an individual currently serving on the board of a	
25	participating school district or the designee of a participating school district's	
26	board; and	
27	d. Allows Allow for the inclusion of ex officio nonvoting members on the governing	
28	board.	
29	8.7. The joint powers agreement provides must provide that the board of the regional	
30	education association shall meet at least quarterly.	

1	—9. <u>8.</u> —The joint powers agreement does <u>may</u> not permit the regional education association to
2	compensate members of the regional education association board for attending-
3	meetings of the board and does not permit the regional education association to
4	reimburse members of the board for any expenses incurred in attending meetings of
5	the board.
6	SECTION 4. A new section to chapter 15.1-09.1 of the North Dakota Century Code is
7	created and enacted as follows:
8	Regional education association - Services to be offered.
9	1. In order to be eligible for state funding, a regional education association must offer the
10	following services to its member districts:
11	a. Coordination and facilitation of professional development activities for teachers
12	and administrators employed by its member districts;
13	<u>b.</u> <u>Supplementation of technology support services;</u>
14	c. Assistance with achieving school improvement goals identified by the
15	superintendent of public instruction;
16	d. Assistance with the collection, analysis, and interpretation of student
17	achievement data; and
18	e. Assistance with the expansion and enrichment of curricular offerings.
19	2. Subsection 1 does not preclude a regional education association from offering
20	additional services to its member districts.
21	SECTION 5. A new section to chapter 15.1-18.2 of the North Dakota Century Code is
22	created and enacted as follows:
23	Professional development advisory committee - Compensation of members.
24	Each member of the professional development advisory committee, is entitled to receive
25	reimbursement for expenses as provided by law for state officers if the member is attending
26	meetings or performing duties directed by the committee.
27	SECTION 6. A new section to chapter 15.1-18.2 of the North Dakota Century Code is
28	created and enacted as follows:
29	Teacher support program - Establishment.
30	The education standards and practices board shall:
31	1. Establish and administer a teacher support program;

1	2. Employ an individual to serve as a teacher support program coordinator;
2	3. a. Select and train experienced teachers who will serve as mentors for first-year
3	teachers and assist the first-year teachers with instructional skills development;
4	or
5	b. If a school district or other employing entity listed in section 8 of this Act is not in
6	need of mentors for its first-year teachers, select and train experienced teachers
7	who will work with school district administrators and administrators from the other
8	employing entities to identify the needs of the non-first-year teachers and help
9	the non-first-year teachers address their particular needs through the use of:
10	(1) Research-validated interventions; and
11	(2) Proven instructional methods.
12	SECTION 7. A new section to chapter 15.1-18.2 of the North Dakota Century Code is
13	created and enacted as follows:
14	Teacher support program - Availability of services.
15	The education standards and practices board may use any moneys it receives for the
16	teacher support program to provide staff compensation, training, evaluation, and stipends for
17	mentors and experienced teachers who assist first-year and non-first-year teachers participating
18	in the program, and to pay for any other administrative expenses resulting from the program;
19	provided, however, that the board may not expend more than five percent of the moneys for
20	administrative purposes.
21	SECTION 8. A new section to chapter 15.1-18.2 of the North Dakota Century Code is
22	created and enacted as follows:
23	Teacher support program - Authorized service recipients.
24	The education standards and practices board may provide support services to teachers
25	employed by:
26	— 1. School districts;
27	2. Special education units;
28	3. Area career and technology centers;
29	4. Regional education associations; and
30	5. Schools funded by the bureau of Indian education.

1	SECTION 9. AMENDMENT. Section 15.1-20-01 of the North Dakota Century Code is
2	amended and reenacted as follows:
3	— 15.1-20-01. Compulsory attendance.
4	A student's formal schooling must begin with a kindergarten program that meets the
5	requirements of section 15.1-22-02 and must include all other grades from one through twelve.
6	1. <u>a.</u> Any person having responsibility for a child between the ages of sevensix and
7	sixteen years shall ensure that the child is in attendance at a public school for the
8	duration of each school year.
9	b. Beginning July 1, 2015, any person having responsibility for a child between the
10	ages of six and seventeen years shall ensure that the child is in attendance at a
11	public school for the duration of each school year.
12	2. If a person enrolls a child of age sixfive in a public school, the person shall ensure that
13	the child is in attendance at the public school for the duration of each school year. The
14	person may withdraw a child of age sixfive from the public school. However, once the
15	child is withdrawn, the person may not reenroll the child until the following school year.
16	This subsection does not apply if the reason for the withdrawal is the child's relocation
17	to another school district.
18	3. This section does not apply if a child is exempted under the provisions of section
19	15.1-20-02.
20	SECTION 10. AMENDMENT. Section 15.1-21-02.1 of the North Dakota Century Code is
21	amended and reenacted as follows:
22	— 15.1-21-02.1. High school graduation - Diplomadiploma - Minimum requirements.
23	Except as provided in section 15.1-21-02.3, before a school district, a nonpublic high-
24	school, or the center for distance education issues a high school diploma to a student, the
25	student must have successfully completed the following twenty-two units of high school
26	coursework:
27	1. Four units of English language arts from a sequence that includes literature,
28	composition, and speech;
29	2. Three units of mathematics;
30	3. Three units of science, including:
31	a. One unit of physical science;

1	b. One unit of biology; and
2	c. (1) One unit of any other science; or
3	(2) Two one-half units of any other science;
4	4. Three units of social studies, including:
5	————a. One unit of United States history;
6	b. (1) One-half unit of United States government and one-half unit of economics;
7	Of
8	(2) One unit of problems of democracy; and
9	c. One unit or two one-half units of any other social studies, which may include
10	civics, civilization, geography and history, multicultural studies, North Dakota
11	studies, psychology, sociology, and world history;
12	5. a. One unit of physical education; or
13	b. One-half unit of physical education and one-half unit of health;
14	——6. Three units of:
15	a. Foreign languages;
16	b. Native American languages;
17	c. Fine arts; or
18	d. Career and technical education courses; and
19	7. Any five additional units.
20	1. The twenty-two units of high school coursework set forth in section 8 of this Act; and
21	2. Any additional units of high school coursework required by the issuing entity.
22	SECTION 11. A new section to chapter 15.1-21 of the North Dakota Century Code is
23	created and enacted as follows:
24	High school graduation - Minimum requirements.
25	Except as provided in section 15.1-21-02.3, the following twenty-two units of high school
26	coursework constitute the minimum requirement for high school graduation:
27	1. Four units of English language arts from a sequence that includes literature,
28	composition, and speech;
29	2. Three units of mathematics;
30	3. Three units of science, including:
31	<u>a. One unit of physical science;</u>

1	———— <u>b.</u> One unit of biology; and
2	<u>c. (1) One unit of any other science; or</u>
3	(2) Two one-half units of any other science;
4	— 4. Three units of social studies, including:
5	a. One unit of United States history;
6	<u>b.</u> (1) One-half unit of United States government and one-half unit of economics;
7	<u>or</u>
8	(2) One unit of problems of democracy; and
9	<u>c.</u> One unit or two one-half units of any other social studies, which may include
10	civics, civilization, geography and history, multicultural studies, North Dakota
11	studies, psychology, sociology, and world history;
12	5. a. One unit of physical education; or
13	b. One-half unit of physical education and one-half unit of health;
14	6. Three units of:
15	<u>a. Foreign languages;</u>
16	<u>b. Native American languages;</u>
17	<u>c.</u> <u>Fine arts; or</u>
18	d. Career and technical education courses; and
19	7. Any five additional units.
20	SECTION 12. AMENDMENT. Section 15.1-21-02.4 of the North Dakota Century Code is
21	amended and reenacted as follows:
22	— 15.1-21-02.4. North Dakota career and technical education scholarship.
23	— Any resident student who graduates from a high school during or after the 2010-11 school
24	year is eligible to receive a North Dakota career and technical education scholarship provided
25	the student completes all requirements set forth in subsections 1 through 5 and subsection 7 of
26	section 15.1-21-02.1 for a high school diploma and:
27	1. Completed four units of English language arts from a sequence that includes literature,
28	composition, and speech;
29	2. Completed three units of mathematics, including:

1		a. Completes one One unit of algebra II, as defined by the superintendent of public
2		instruction, in fulfillment of the mathematics requirement set forth in subsection 2
3		of section 15.1-21-02.1; and
4		b. Completes two Two units of any other mathematics;
5	<u>3.</u>	Completed three units of science, including:
6		a. One unit of physical science:
7		b. One unit of biology; and
8		c. (1) One unit of any other science; or
9		(2) Two one-half units of any other science;
10	<u>4.</u>	Completed three units of social studies, including:
11		a. One unit of United States history:
12		b. (1) One-half unit of United States government and one-half unit of economics;
13		<u>Of</u>
14		(2) One unit of problems of democracy; and
15		c. One unit or two one half units of any other social studies, which may include
16		civics, civilization, geography and history, multicultural studies, North Dakota
17		studies, psychology, sociology, and world history;
18	<u> </u>	a. Completed one unit of physical education; or
19		b. One-half unit of physical education and one-half unit of health;
20	<u>6.</u>	<u>Completed:</u>
21		a. One unit selected from:
22		(1) Foreign languages;
23		(2) Native American languages;
24		(3) American sign language;
25		(4) Fine arts; or
26		(5) Career and technical education courses; and
27		<u>b.</u> <u>Two</u> units of a coordinated plan of study recommended by the department of
28		career and technical education and approved by the superintendent of public-
29		instruction; and
30	<u>—с.7.</u>	Completes three Completed any five additional units, two of which must be in the area
31		of career and technical education;

1	2. Obtains a grade of at least "C" in each unit or one-half unit required for the diploma;
2	3.8. a. (1) ObtainsObtained a cumulative grade point average of at least "B"3.0 on a
3	4.0 grading scale, as determined by the superintendent of public instruction.
4	based on all high school units in which the student was enrolled; and
5	(2) Obtained a grade of at least "C" in each unit or one-half unit; or
6	b. (1) Obtained a cumulative grade point average of at least 3.0 on a 4.0 grading
7	scale, as determined by the superintendent of public instruction, based only
8	on the units required by subsections 1 through 7 of this section; and
9	(2) Obtained a grade of at least "C" in each unit or one-half unit; and
10	—4. <u>9.</u> ReceivesReceived:
11	a. A composite score of at least twenty-four on an ACT; or
12	b. A score of at least five on each of three WorkKeys assessments recommended
13	by the department of career and technical education and approved by the
14	superintendent of public instruction.
15	SECTION 13. AMENDMENT. Section 15.1-21-02.5 of the North Dakota Century Code is
16	amended and reenacted as follows:
17	— 15.1-21-02.5. North Dakota academic scholarship.
18	— Any resident student who graduates from a high school during or after the 2010-11 school
19	year is eligible to receive a North Dakota academic scholarship provided the student completes
20	all requirements set forth in subsections 1 through 5 and subsection 7 of section 15.1-21-02.1
21	for a high school diploma and:
22	1. Completed four units of English language arts from a sequence that includes literature,
23	composition, and speech;
24	2. Completed three units of mathematics, including:
25	a. Completes one One unit of algebra II, as defined by the superintendent of public
26	instruction, in fulfillment of the mathematics requirement set forth in subsection 2
27	of section 15.1-21-02.1; and
28	b. Completes one One additional unit of mathematics for which algebra II, as defined
29	by the superintendent of public instruction, is a prerequisite; and
30	-c.3. CompletesCompleted three units of science, including:
31	<u>a.</u> One unit of physical science;

1	<u>b.</u> One unit of biology; and
2	<u>c. (1) One unit of any other science; or</u>
3	(2) Two one-half units of any other science;
4	4. Completed three units of social studies, including:
5	a. One unit of United States history;
6	<u>b. (1) One-half unit of United States government and one-half unit of economics;</u>
7	<u>Of</u>
8	(2) One unit of problems of democracy; and
9	c. One unit or two one-half units of any other social studies, which may include
10	civics, civilization, geography and history, multicultural studies, North Dakota
11	studies, psychology, sociology, and world history;
12	5. a. Completed one unit of physical education; or
13	b. One-half unit of physical education and one-half unit of health;
14	<u>6. a. Completed:</u>
15	(1) Two units of the same foreign or native American language;
16	(2) One unit of fine arts or career and technical education American sign
17	language; and
18	——— (3) <u>b.</u> —One unit of a foreign or nativeselected from:
19	(1) Foreign languages;
20	(2) Native American language, finelanguages;
21	(3) American sign language;
22	——————————————————————————————————————
23	(5) Career and technical education;
24	2. Obtains a grade of at least "C" in each unit or one-half unit required for the diploma;
25	- 3.7. ObtainsCompleted any five additional units, one of which must be in the area of fine
26	arts or career and technical education;
27	8. a. (1) Obtained a cumulative grade point average of at least "B"3.0 on a 4.0
28	grading scale, as determined by the superintendent of public instruction.
29	based on all high school units in which the student was enrolled; and
30	(2) Obtained a grade of at least "C" in each unit or one-half unit; or

1	<u>b. (1) Obtained a cumulative grade point average of at least 3.0 on a 4.0 grading</u>
2	scale, as determined by the superintendent of public instruction, based only
3	on the units required by subsections 1 through 7 of this section; and
4	(2) Obtained a grade of at least "C" in each unit or one-half unit;
5	4.9. ReceivesReceived a composite score of at least twenty-four on an ACT; and
6	-5.10. a. Completes Fulfilled any one unit requirement set forth in subsections 1 through 7
7	of this section by means of an advanced placement course and examination; or
8	<u>b.</u> Fullfilled any one-half unit requirement set forth in subsections 1 through 7 of this
9	section by means of a dual-credit course.
10	SECTION 14. AMENDMENT. Section 15.1-21-02.6 of the North Dakota Century Code is
11	amended and reenacted as follows:
12	15.1-21-02.6. North Dakota scholarship - Amount - Applicability.
13	1. The state board of higher education shall provide to any student certified as being
14	eligible by the superintendent of public instruction either a North Dakota academic
15	scholarship or a North Dakota career and technical education scholarship in the
16	amount of seven hundred fifty dollars for each semester during which the student is
17	enrolled full time at an accredited institution of higher education in this state and
18	maintains a cumulative grade point average of 2.75. If a student is determined by the
19	superintendent of public instruction to have met the requirements for a North Dakota
20	career and technical education scholarship or a North Dakota academic scholarship,
21	the student is eligible to receive:
22	a. At the beginning of the student's first year of higher education, a scholarship in
23	the amount of one thousand five hundred dollars, provided the student is enrolled
24	full time at an accredited institution of higher education in this state; and
25	b. At the beginning of the semester marking the student's second year of higher
26	education and each semester thereafter, a scholarship in the amount of seven
27	hundred fifty dollars, provided that during the immediately preceding semester
28	the student:
29	(1) Maintained a cumulative grade point average of 2.75; and
30	(2) Maintained enrollment, throughout the semester, in a minimum of fifteen
31	units.

- 2. If at the conclusion of the first semester of the student's first year the state board of higher education determines that the student was unable to maintain a grade point average of 2.75, the board shall forward a letter of warning to the student and articulate the consequences with respect to the student's continued eligibility for a scholarship.
- 3. If at the conclusion of the student's first year, or any semester thereafter, a student has failed to meet the requirements for a scholarship, as set forth in subdivision b of subsection 1, the student, at the conclusion of the ensuing semester, may apply to the state board of higher education for reinstatement of the scholarship, provided the student can demonstrate compliance with the requirements of subdivision b of subsection 1. However, if a student fails to meet the requirements of subdivision b of subsection 1 for a second time, that student may not receive any additional scholarships under this section.
- 2.4. A student is not entitled to receive more than six thousand dollars in scholarships under this section.
- 3.<u>5.</u> The state board of higher education shall forward the scholarshipall scholarships under this section directly to the institution inat which the student is enrolled.
- 4.6. This section does not require a student to be enrolled in consecutive semesters.

 However, a scholarship under this section is valid only for six academic years after the student's graduation from high school and may not be applied to graduate programs.
- 5.7. A scholarship under this section is available to any eligible student who graduates from a high school in this state or from a high school in a bordering state under chapter 15.1-29.
- 8. The state board of higher education shall monitor each scholarship recipient to ensure that the student meets the academic and other requirements of this section. Upon determining that a recipient student has failed to meet the requirements of this section, the board shall provide notification to the student within five days.
- SECTION 15. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

1	SECTION 17. AMENDMENT. Section 15.1-21-18 of the North Dakota Century Code is		
2	amended and reenacted as follows:		
3	15.1	-21-18. Career interest inventory <u>- Educational and career planning -</u>	
4	Consult	tation.	
5	<u>-1.</u>	A school district shall administer to students, once during their enrollment in grade	
6		seven or eight and once during their enrollment in grade nine or ten, a career interest	
7		inventory recommended by the department of career and technical education and	
8		approved by the superintendent of public instruction.	
9	<u> 2.</u>	At least once during the seventh or eighth grade, each school district shall arrange for	
10		students to participate in either an individual consultative process or a nine-week	
11		course, for the purpose of discussing the results of their career interest inventory,	
12		selecting high school courses appropriate to their educational pursuits and career	
13		interests, and developing individual high school education plans.	
14	<u> 3.</u>	Each school district shall notify its high school students that, upon request, a student is	
15		entitled to receive a consultative review of the student's individual high school	
16		education plan at least once during each high school grade. Upon the request of a	
17		student, the school district shall provide the consultative review.	
18	<u>4.</u>	Each school district shall verify compliance with the requirements of this section at the	
19		time and in the manner required by the superintendent of public instruction.	
20	SECTION 18. AMENDMENT. Section 15.1-21-19 of the North Dakota Century Code is		
21	amende	d and reenacted as follows:	
22	15.1	-21-19. Summative assessment - Selection - Cost - Exemptions.	
23	1.	Except as otherwise provided, each public and nonpublic school student in grade	
24		eleven shall take the ACT, including the writing test, or three WorkKeys assessments,	
25		including the writing test, recommended by the department of career and technical	
26		education and approved by the superintendent of public instruction. The student shall	
27		determine which summative assessment to take. The student's school district of	
28		residencesuperintendent of public instruction is responsible for the cost of procuring	
29		and administering one summative assessment and its administration per student.	
30	2 .	The student's career advisor or guidance counselor shall meet with the student to-	
31		review the student's assessment results.	

1	15.1-27-03.1. (Effective through June 30, 2011) Weighted average daily membership		
2	Determination.		
3	1. For each school district, the superintendent of public instruction shall multiply by:		
4	a. 1.00 the number of full-time equivalent students enrolled in a migrant summer-		
5	program;		
6	b. 1.00 the number of full-time equivalent students enrolled in an extended		
7	educational program in accordance with section 15.1-32-17;		
8	c. 0.60 the number of full-time equivalent students enrolled in a summer educatio		
9	program;		
10	d. 0.50 the number of full-time equivalent students enrolled in a home-based		
11	education program and monitored by the school district under chapter 15.1-23;		
12	e. 0.30 the number of full-time equivalent students who on a test of English		
13	language proficiency approved by the superintendent of public instruction are		
14	determined to be least proficient and are enrolled in a program of instruction fo		
15	English language learners;		
16	f. 0.25 the number of full-time equivalent students enrolled in an alternative high-		
17	school;		
18	g. 0.25 the number of full-time equivalent students enrolled in an isolated		
19	elementary school;		
20	h. 0.25 the number of full-time equivalent students enrolled in an isolated high-		
21	school;		
22	i. 0.20 the number of full-time equivalent students attending school in a bordering		
23	state in accordance with section 15.1-29-01;		
24	j. 0.20 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 not proficient and are enrolled in a program of instruction for		
27	English language learners;		
28	k. 0.17 the number of full-time equivalent students enrolled in an early childhood-		
29	special education program;		
30	I. 0.07 the number of students enrolled in average daily membership, in order to		
31	support the provision of special education services:		

1	m. 0.07 the number of full-time equivalent students who on a test of English
2	language proficiency approved by the superintendent of public instruction are
3	determined to be somewhat proficient and are enrolled in a program of instruction
4	for English language learners;
5	n. 0.004 the number of students enrolled in average daily membership in a school
6	district that is a participating member of a regional education association meeting
7	the requirements of chapter 15.1-09.1; and
8	o. 0.002 the number of students enrolled in average daily membership, in order to
9	support technology.
10	2. The superintendent of public instruction shall determine each school district's weighted
11	average daily membership by adding the products derived under subsection 1 to the
12	district's average daily membership.
13	(Effective after June 30, 2011) Weighted average daily membership - Determination.
14	— 1. For each school district, the superintendent of public instruction shall multiply by:
15	a. 1.00 the number of full-time equivalent students enrolled in a migrant summer-
16	program;
17	b. 1.00 the number of full-time equivalent students enrolled in an extended
18	educational program in accordance with section 15.1-32-17;
19	c. 0.60 the number of full-time equivalent students enrolled in a summer education-
20	program;
21	d. 0.50 the number of full-time equivalent students enrolled in a home-based
22	education program and monitored by the school district under chapter 15.1-23;
23	e. 0.30 the number of full-time equivalent students who on:
24	(1) On a test of English language proficiency approved by the superintendent of
25	public instruction are determined to be least proficient and placed in the first
26	of six categories of proficiency; and are
27	(2) Are enrolled in a program of instruction for 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;

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.h. 0.20 the number of full-time equivalent students who on:
6	(1) On a test of English language proficiency approved by the superintendent of
7	public instruction are determined to be notmore proficient than students
8	placed in the first of six categories of proficiency and therefore placed in the
9	second of six categories of proficiency; and are
10	(2) Are enrolled in a program of instruction for English language learners;
11	k.i. 0.17 the number of full-time equivalent students enrolled in an early childhood
12	special education program;
13	I.j. 0.070.10 the number of students enrolled in average daily membership, if the
14	district has fewer than one hundred students enrolled in average daily
15	membership and the district consists of an area greater than two hundred
16	seventy-five square miles [19424.9 hectares], provided that any school district
17	consisting of an area greater than six hundred square miles [155399 hectares]
18	and enrolling fewer than fifty students in average daily membership must be
19	deemed to have an enrollment equal to fifty students in average daily
20	membership;
21	<u>k.</u> <u>0.073</u> the number of students enrolled in average daily membership, in order to
22	support the provision of special education services;
23	m. <u>l.</u> 0.07 the number of full-time equivalent students who on:
24	(1) On a test of English language proficiency approved by the superintendent of
25	public instruction are determined to be somewhatmore proficient and
26	arethan students placed in the second of six categories of proficiency and
27	therefore placed in the third of six categories of proficiency;
28	(2) Are enrolled in a program of instruction for English language learners; and
29	(3) Have not been in the third of six categories of proficiency for more than
30	three years:

1	n.m. 0.025 the number of students representing that percentage of the total number of
2	students in average daily membership which is equivalent to the three-year
3	average percentage of students in grades three through eight who are eligible for
4	free or reduced lunches under the Richard B. Russell National School Lunch Act
5	[42 U.S.C. 1751 et seq.];
6	n. 0.006 the number of students enrolled in average daily membership in each
7	public school in the district that:
8	(1) Has acquired and is utilizing the PowerSchool student information system;
9	(2) Has acquired and is in the process of implementing the PowerSchool
10	student information system; or
11	(3) Will acquire the PowerSchool student information system during the current
12	school year, provided the acquisition is contractually demonstrated; and
13	o. 0.004 the number of students enrolled in average daily membership in a school
14	district that is a participating member of a regional education association meeting
15	the requirements of chapter 15.1-09.1; and
16	p. 0.002 the number of students enrolled in average daily membership, in order to-
17	support technology.
18	2. The superintendent of public instruction shall determine each school district's weighted
19	average daily membership by adding the products derived under subsection 1 to the
20	district's average daily membership.
21	SECTION 21. AMENDMENT. Section 15.1-27-03.1 of the North Dakota Century Code is
22	amended and reenacted as follows:
23	15.1-27-03.1. (Effective through June 30, 2011) Weighted average daily membership -
24	Determination.
25	— 1. For each school district, the superintendent of public instruction shall multiply by:
26	a. 1.00 the number of full-time equivalent students enrolled in a migrant summer
27	program;
28	b. 1.00 the number of full-time equivalent students enrolled in an extended
29	educational program in accordance with section 15.1-32-17;
30	c. 0.60 the number of full-time equivalent students enrolled in a summer education
31	program;

1	d.	0.50 the number of full-time equivalent students enrolled in a home-based
2		education program and monitored by the school district under chapter 15.1-23;
3	<u>е.</u>	0.30 the number of full-time equivalent students who on a test of English
4		language proficiency approved by the superintendent of public instruction are
5		determined to be least proficient and are enrolled in a program of instruction for
6		English language learners;
7	f.	0.25 the number of full-time equivalent students enrolled in an alternative high-
8		school;
9	g.	0.25 the number of full-time equivalent students enrolled in an isolated
10		elementary school;
11	————h.	0.25 the number of full-time equivalent students enrolled in an isolated high
12		school;
13	i.	0.20 the number of full-time equivalent students attending school in a bordering
14		state in accordance with section 15.1-29-01;
15	j.	0.20 the number of full-time equivalent students who on a test of English
16		language proficiency approved by the superintendent of public instruction are-
17		determined to be not proficient and are enrolled in a program of instruction for
18		English language learners;
19	——————————————————————————————————————	0.17 the number of full-time equivalent students enrolled in an early childhood-
20		special education program;
21		0.07 the number of students enrolled in average daily membership, in order to
22		support the provision of special education services;
23	m.	0.07 the number of full-time equivalent students who on a test of English
24		language proficiency approved by the superintendent of public instruction are
25		determined to be somewhat proficient and are enrolled in a program of instruction
26		for English language learners;
27	n.	0.004 the number of students enrolled in average daily membership in a school
28		district that is a participating member of a regional education association meeting
29		the requirements of chapter 15.1-09.1; and
30	 0.	0.002 the number of students enrolled in average daily membership, in order to-
31		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	— (Effective after June 30, 2011) Weighted average daily membership - Determination.		
5	— 1. For each school district, the superintendent of public instruction shall multiply by:		
6	a. 1.00 the number of full-time equivalent students enrolled in a migrant summer-		
7	program;		
8	b. 1.00 the number of full-time equivalent students enrolled in an extended		
9	educational program in accordance with section 15.1-32-17;		
10	c. 0.60 the number of full-time equivalent students enrolled in a summer education-		
11	program;		
12	d. 0.50 the number of full-time equivalent students enrolled in a home-based		
13	education program and monitored by the school district under chapter 15.1-23;		
14	e. 0.30 the number of full-time equivalent students who on:		
15	(1) On a test of English language proficiency approved by the superintendent of		
16	public instruction are determined to be least proficient and placed in the first		
17	of six categories of proficiency; and are		
18	(2) Are enrolled in a program of instruction for English language learners;		
19	f. 0.25 the number of full-time equivalent students enrolled in an alternative high-		
20	school;		
21	g. 0.25 the number of full-time equivalent students enrolled in an isolated		
22	elementary school;		
23	h. 0.25 the number of full-time equivalent students enrolled in an isolated high		
24	school;		
25	i. 0.20 the number of full-time equivalent students in grades six through eight		
26	enrolled in an alternative education program for at least an average of fifteen		
27	hours per week;		
28	h. 0.20 the number of full-time equivalent students attending school in a bordering		
29	state in accordance with section 15.1-29-01;		
30	j.i. 0.20 the number of full-time equivalent students who on:		

1		(1) On a test of English language proficiency approved by the superintendent of
2		public instruction are determined to be notmore proficient than students
3		placed in the first of six categories of proficiency and therefore placed in the
4		second of six categories of proficiency; and are
5		(2) Are enrolled in a program of instruction for English language learners;
6	——————————————————————————————————————	0.17 the number of full-time equivalent students enrolled in an early childhood
7		special education program;
8	l. <u>k.</u>	0.070.10 the number of students enrolled in average daily membership, if the
9		district has fewer than one hundred students enrolled in average daily
10		membership and the district consists of an area greater than two hundred
11		seventy-five square miles [19424.9 hectares], provided that any school district
12		consisting of an area greater than six hundred square miles [155399 hectares]
13		and enrolling fewer than fifty students in average daily membership must be
14		deemed to have an enrollment equal to fifty students in average daily
15		membership;
16	<u> </u>	0.073 the number of students enrolled in average daily membership, in order to
17		support the provision of special education services;
18	m.	0.07 the number of full-time equivalent students who on:
19		(1) On a test of English language proficiency approved by the superintendent of
20		public instruction are determined to be somewhatmore proficient and
21		arethan students placed in the second of six categories of proficiency;
22		(2) Are enrolled in a program of instruction for English language learners; and
23		(3) Have not been in the third of six categories of proficiency for more than
24		three years;
25	n.	0.025 the number of students representing that percentage of the total number of
26		students in average daily membership which is equivalent to the three-year-
27		average percentage of students in grades three through eight who are eligible for
28		free or reduced lunches under the Richard B. Russell National School Lunch Act
29		[42 U.S.C. 1751 et seq.];
30	0.	0.006 the number of students enrolled in average daily membership in each
31		public school in the district that:

1	(1) Has acquired and is utilizing the PowerSchool student information system;
2	(2) Has acquired and is in the process of implementing the PowerSchool
3	student information system; or
4	(3) Will acquire the PowerSchool student information system during the current
5	school year, provided the acquisition is contractually demonstrated; and
6	p. 0.004 the number of students enrolled in average daily membership in a school
7	district that is a participating member of a regional education association meeting-
8	the requirements of chapter 15.1-09.1; and
9	p. 0.002 the number of students enrolled in average daily membership, in order to
10	support technology.
11	2. The superintendent of public instruction shall determine each school district's weighted
12	average daily membership by adding the products derived under subsection 1 to the
13	district's average daily membership.
14	SECTION 22. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is
15	amended and reenacted as follows:
16	— 15.1-27-04. Per student payment rate.
17	1. a. The per student payment rate to which each school district is entitled for the first
18	year of the biennium is three thousand twonine hundred sixty-one dollars.
19	b. The per student payment rate to which each school district is entitled for the
20	second year of the biennium is three thousand sevennine hundred
21	seventy-ninesixty-one dollars.
22	2. In order to determine the state aid payment to which each district is entitled, the
23	superintendent of public instruction shall multiply each district's weighted student units-
24	by the per student payment rate set forth in subsection 1.
25	SECTION 23. AMENDMENT. Section 15.1-27-07.2 of the North Dakota Century Code is
26	amended and reenacted as follows:
27	15.1-27-07.2. Baseline funding - Determination - Minimum and maximum allowable
28	increases.
29	1. The superintendent of public instruction shall determine each school district's baseline
30	funding per weighted student unit by:

1	a.	Adding together all state aid received by the district during the 2006-07 school
2		year;
3	————b.	Subtracting the amount received by the district during the 2006-07 school year-
4		for transportation aid, special education excess cost reimbursements, special-
5		education contracts, prior year funding adjustments, and per student payments-
6		for participation in educational associations governed by joint powers
7		agreements; and
8	с.	Dividing the amount determined under subdivision b by the district's 2007-08
9		weighted student units.
10	2. а.	The superintendent of public instruction shall ensure that the total amount of
11		state aid payable to a district per weighted student unit, for the 2009-10 school
12		year, is at least equal to one hundred eight percent of the baseline funding per-
13		weighted student unit, as established in subsection 1.
14		The superintendent of public instruction shall ensure that the total amount of
15		state aid payable to a district per weighted student unit, for each school year after-
16		the 2009-10 school year, is at least equal to one hundred twelve and one-half
17		percent of the baseline funding per weighted student unit, as established in-
18		subsection 1.
19	3. а.	The superintendent of public instruction shall ensure that the total amount of
20		state aid payable to a district per weighted student unit, less any amount received
21		as equity payments under section 15.1-27-11 per weighted student unit, does not
22		exceed, for the 2009-102011-12 school year, one hundred twentyforty-two-
23		percent of the baseline funding per weighted student unit, as established in-
24		subsection 1.
25	————b.	The superintendent of public instruction shall ensure that the total amount of
26		state aid payable to a district per weighted student unit, less any amount received
27		as equity payments under section 15.1-27-11 per weighted student unit, does not
28		exceed, for each school year after the 2009-10 school year, one hundred
29		thirty-four percent of the baseline funding per weighted student unit, as
30		established in subsection 1.

1	SECTION 24. AMENDMENT. Section 15.1-27-11 of the North Dakota Century Code is
2	amended and reenacted as follows:
3	— 15.1-27-11. Equity payments.
4	1. The superintendent of public instruction shall:
5	a. Divide the imputed taxable valuation of the state by the total average daily
6	membership of all school districts in the state in order to determine the state
7	average imputed taxable valuation per student.
8	b. Divide the imputed taxable valuation of each school district by the district's total
9	average daily membership in order to determine each district's average imputed-
10	taxable valuation per student.
11	2. If a school district's imputed taxable valuation per student is less than ninety percent of
12	the statewide imputed taxable valuation per student, the superintendent of public
13	instruction shall calculate the valuation deficiency by:
14	a. Determining the difference between ninety percent of the state average imputed
15	taxable valuation per student and the district's average imputed taxable valuation
16	per student; and
17	b. Multiplying that difference by the district's total average daily membership.
18	3. Except as provided in subsection 4, the equity payment to which a district is entitled
19	under this section equals the district's valuation deficiency multiplied by the lesser of:
20	a. The district's general fund levy for the taxable year 2008; or
21	b. One hundred eighty-five mills.
22	4. a. The equity payment to which a district is entitled may not exceed the district's
23	taxable valuation multiplied by its general fund levy for the taxable year 2008.
24	b. If a district's general fund levy for the taxable year 2008 is less than one hundred
25	eighty-five mills, the superintendent of public instruction shall subtract the
26	district's general fund levy for the taxable year 2008 from one hundred eighty-five
27	mills, multiply the result by the district's taxable valuation, and subtract that result
28	from the equity payment to which the district is otherwise entitled.
29	c. If a district's imputed taxable valuation per student is less than fifty percent of the
30	statewide imputed taxable valuation per student, the payment to which the district
31	is entitled under this section may not be less than twenty percent of the statewide

1	imputed taxable valuation per student times the school district's average daily
2	membership, multiplied by one hundred eighty-five mills.
3	5. In determining the amount to which a school district is entitled under this section, the
4	superintendent of public instruction may not include any payments received by the
5	district as a result of Public Law No. 81-874 [64 Stat. 1100; 20 U.S.C. 236 et seq.] and
6	may not include in the district's average daily membership students who are
7	dependents of members of the armed forces and students who are dependents of
8	civilian employees of the department of defense.
9	6. In determining the statewide average imputed taxable valuation per student for
10	purposes of this section, the superintendent of public instruction may not include:
11	a. Any school district, which if included in the calculation would have an imputed
12	taxable valuation per student that is three times greater than the statewide
13	average imputed taxable valuation per student; and
14	b. Any school district, which if included in the calculation would have an imputed
15	taxable valuation per student that is less than one-fifth of the statewide average
16	imputed taxable valuation per student.
17	— <u>7.</u> For purposes of this section:
18	a. "General fund levy" includes a district's high school transportation levy and its-
19	high school tuition levy.
20	b. "Imputed taxable valuation" means the valuation of all taxable real property in the
21	district plus:
22	(1) An amount determined by dividing seventy percent of the district's mineral
23	and tuition revenue, revenue from payments in lieu of property taxes on
24	distribution and transmission of electric power, revenue from payments in
25	lieu of taxes from electricity generated from sources other than coal, and
26	revenue received on account of the leasing of lands acquired by the United
27	States for flood control, navigation, and allied purposes in accordance with
28	33 U.S.C. 701c-3 by the district's general fund mill levy for the taxable year
29	2008; and

1	(2) An amount determined by dividing the district's revenue from mobile home
2	taxes and telecommunications taxes by the district's general fund mill levy-
3	for the taxable year 2008.
4	c. "Mineral revenue" includes all revenue from county sources reported under code
5	2000 of the North Dakota school district financial accounting and reporting
6	manual as developed by the superintendent of public instruction in accordance
7	with section 15.1-02-08.
8	d. "Tuition revenue" includes all revenue reported under code 1300 of the North
9	Dakota school district financial accounting and reporting manual as developed by
10	the superintendent of public instruction in accordance with section 15.1-02-08.
11	"Tuition revenue" does not include tuition income received specifically for the
12	operation of an educational program provided at a residential treatment facility.
13	SECTION 25. AMENDMENT. Section 15.1-27-35.3 of the North Dakota Century Code is
14	amended and reenacted as follows:
15	15.1-27-35.3. (Effective through June 30, 2011) Payments to school districts -
16	Unobligated general fund balance - Report to legislative council.
17	1. The superintendent of public instruction shall determine the amount of payments due a
18	school district and shall subtract from that the amount by which the unobligated
19	general fund balance of the district on the preceding June thirtieth is in excess of fifty
20	percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1,
21	2008, the superintendent of public instruction shall determine the amount of payments
22	due a school district and shall subtract from that the amount by which the unobligated
23	general fund balance of the district on the preceding June thirtieth is in excess of
24	forty-five percent of its actual expenditures, plus twenty thousand dollars.
25	2. In making the determination required by subsection 1, the superintendent of public
26	instruction may not include in a district's unobligated general fund balance any
27	moneys that:
28	a. (1) Were received by the district during the school year ending June 30, 2009,
29	on account of the leasing of lands acquired by the United States for flood
30	control, navigation, and allied purposes in accordance with 33 U.S.C.
31	701c-3; and

ı	(2) Exceeded the amount received by the district during the school year ending
2	June 30, 2008, for the purpose stated in paragraph 1;
3	b. Were received directly by the district from the United States government in
4	accordance with the American Recovery and Reinvestment Act of 2009; or
5	c. Were received by the district as supplemental one-time grants under section 52
6	of S.L. 2009, ch. 175.
7	3. Any district having more than fifty thousand dollars excluded in the determination of its
8	ending fund balance, as required by subsection 2, shall provide a report to the
9	legislative council. The report, which must be presented at the time and in the manner
0	directed by the legislative council, must address how the money was expended,
11	including the number of mills by which the district was able to decrease its property
2	taxes, if such was a permitted use.
3	(Effective after June 30, 2011) Payments to school districts - Unobligated general
4	fund balance.
5	<u>1.</u> The superintendent of public instruction shall determine the amount of payments due a
6	school district and shall subtract from that the amount by which the unobligated
7	general fund balance of the district on the preceding June thirtieth is in excess of fifty
8	percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1,
8	percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1, 2008, the superintendent of public instruction shall determine the amount of payments
9	2008, the superintendent of public instruction shall determine the amount of payments
9	2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated
19 20 21	2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of
19 20 21 22	2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars.
19 20 21 22 23	2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars. 2. In making the determination required by subsection 1, the superintendent of public
9 20 21 22 23 24	2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars. 2. In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any
9 20 21 22 23 24	2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars. 2. In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that were received by the district from the federal education jobs fund

1	— 15.1-37-01. Early childhood education program - Approval.
2	1. Any person or school district operating an early childhood education program may
3	request approval of the program from the superintendent of public instruction. The
4	superintendent shall approve an early childhood education program if the program:
5	1.a. Is taught by individuals who are licensed to teach in early childhood education by
6	the education standards and practices board;
7	2.b. Follows a developmentally appropriate curriculum; and
8	3.c. Is in compliance with all municipal and state health, fire, and safety requirements;
9	and
10	d. Limits its enrollment to children who have reached the age of four before August
11	first of the year of enrollment.
12	- 2. Per student funding will not be provided to individuals or school districts offering a
13	prekindergartenan early childhood education program.
14	— SECTION 27. ISOLATED SCHOOLS - TRANSITION PAYMENTS.
15	1. If during the 2010-11 school year a school district received payments as a result of
16	section 15.1-27-15, as the section existed on June 30, 2011, and if that district is not
17	eligible for the factor established under subdivision j of subsection 1 of section
18	15.1-27-03.1, the district is entitled to the following transition payments:
19	a. For the 2011-12 school year, an amount equal to that which the district would
20	have received under section 15.1-27-15, as the section existed on June 30, 2011;
21	b. For the 2012-13 school year, an amount equal to seventy-five percent of that
22	which the district would have received under section 15.1-27-15, as the section
23	existed on June 30, 2011;
24	c. For the 2013-14 school year, an amount equal to fifty percent of that which the
25	district would have received under section 15.1-27-15, as the section existed on
26	June 30, 2011; and
27	d. For the 2014-15 school year, an amount equal to twenty-five percent of that
28	which the district would have received under section 15.1-27-15, as the section
29	existed on June 30, 2011.
30	2. Upon the closure of a school that met the definition of isolated under section
31	15.1-27-15, as it existed on June 30, 2011, the superintendent of public instruction-

1	shall cease to provide to the district the transition payments established under-
2	subsection 1.
3	SECTION 28. TRANSPORTATION GRANTS - DISTRIBUTION.
4	1. During each year of the 2011-13 biennium, the superintendent of public instruction
5	shall calculate the payment to which each school district is entitled based on the state
6	transportation formula as it existed on June 30, 2001, except that the superintendent
7	shall provide reimbursement at the rate of:
8	a. One dollar and three cents per mile for schoolbuses having a capacity of ten or
9	more passengers;
10	b. Forty-six cents per mile for vehicles having a capacity of nine or fewer-
11	passengers;
12	c. Forty-six cents per mile, one way, provided:
13	(1) The student being transported resides more than two miles from the public
14	school that the student attends;
15	(2) The student is transported by an adult member of the student's family;
16	(3) The student is transported in a vehicle furnished by the student's parents;
17	and
18	(4) The student's transportation is paid for by the student's parents; and
19	d. Twenty-six cents per student for each one-way trip.
20	2. The superintendent of public instruction shall use the latest available student
21	enrollment count in each school district in applying the provisions of subsection 1.
22	3. If any moneys provided for transportation payments in the grants transportation line
23	item in the appropriation bill for the superintendent of public instruction, as approved
24	by the sixty-second legislative assembly, remain after application of the formula
25	provided for in this section, the superintendent of public instruction shall prorate the
26	remaining amounts according to the percentage of the total transportation formula
27	amount to which each school district is entitled.
28	4. This section does not authorize the reimbursement of any costs incurred in providing-
29	transportation for student attendance at extracurricular activities or events.
30	- SECTION 29. USE OF NEW MONEY - TEACHER COMPENSATION INCREASES -
31	REPORTS TO THE LEGISLATIVE MANAGEMENT.

1	1. During the 2011-13 biennium, the board of each school district shall use an amou	int	
2	equal to at least seventy percent of all new money received by the district for per-		
3	student payments to increase the compensation paid to teachers and to provide		
4	compensation to teachers who begin employment with the district on or after July	1,	
5	2011.		
6	2. For purposes of this section, the superintendent of public instruction shall calcula	te the	
7	amount of new money received by a district during the 2011-13 biennium by:		
8	a. Determining the total amount of state dollars received by each district during	the-	
9	2009-11 biennium as per student payments, provided that equity payments,		
10	transportation payments, contingency distributions, mill levy reduction paym	ents,	
11	and technology support payments are not to be included in the total;		
12	b. Determining the total amount of state dollars received by each district during	the the	
13	2011-13 biennium as per student payments, provided that the following are	not to	
14	be included in the total:		
15	——————————————————————————————————————		
16	——————————————————————————————————————		
17	(3) Deferred maintenance and physical plant improvements grants;		
18	——————————————————————————————————————		
19	(5) Federal education jobs funds program moneys;		
20	——————————————————————————————————————		
21	(7) Mill levy reduction payments;		
22	(8) PowerSchool acquisition, implementation, and utilization moneys;		
23	(9) Regional education association moneys and grants; and		
24	——————————————————————————————————————		
25	c. Subtracting the amount arrived at under subdivision a from the amount arriv	e d at	
26	under subdivision b.		
27	3. School districts providing educational services under a cooperative agreement		
28	approved by the superintendent of public instruction must, for purposes of this se	ction,	
29	be treated as a single district.		
30	4. a. This section does not apply to a school district if the board of the school dist	r ict,	
31	after a public hearing at which public testimony and documentary evidence	are-	

accepted, determines in its discretion and by an affirmative vote of two-thirds of the members of the board that complying with subsection 1 would place the school district in the position of having insufficient fiscal resources to meet the school district's other obligations.

- notify the superintendent of public instruction of its action and shall file a reportdetailing the grounds for its determination and action.
- c. The superintendent of public instruction shall report all notices received under this subsection to the legislative management.

SECTION 30. CONTINGENT MONEY. If any money appropriated to the superintendent of public instruction for state aid payments to school districts remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2011, and ending June 30, 2013, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

EDUCATION. If during the biennium beginning July 1, 2011, and ending June 30, 2013, the superintendent of public instruction determines that, using all available sources, there are insufficient funds with which to fully reimburse school districts for the excess costs of serving the one percent of special education students statewide who require the greatest school district expenditures in order to be provided with special education and related services, the industrial commission shall transfer from the earnings and accumulated and undivided profits of the Bank of North Dakota the amount the superintendent of public instruction certifies is necessary to provide the statutorily required level of reimbursement. The superintendent of public instruction shall file for introduction legislation requesting that the sixty-third legislative assembly return any amount transferred under this section to the Bank of North Dakota.

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

1	SECTION 33. LEGISLATIVE MANAGEMENT STUDY - TEACHER COMPENSATION			
2	REFORM. During the 2011-12 interim, the legislative management shall consider studying ways			
3	to reform the manner in which teacher compensation is determined, with a view to recruiting,			
4	develop	ing, a	and re	etaining a high-quality teaching workforce capable of significantly improving-
5	student	perfo	rman	ce. The legislative management shall report its findings and
6	recomm	nenda	tions	, together with any legislation required to implement the recommendations, to-
7	the sixty	y-thire	l legis	slative assembly.
8	——SE	CTIO	N 34.	REPEAL. Section 15.1-27-15 of the North Dakota Century Code is repealed.
9	—SE(CTIO	N 35.	EFFECTIVE DATE. Section 21 of this Act becomes effective on July 1, 2013.
10	SE	СТІО	N 1. A	AMENDMENT. Section 15.1-06-04 of the North Dakota Century Code is
11	amende	ed an	d reer	nacted as follows:
12	15.	1-06-	04. Sc	chool calendar - Length.
13	1.	Dur	ing th	ne 2009-10 school year, a school district shall provide for a school calendar of
14		at l	east c	one hundred eighty days.
15		a.	One	e hundred seventy-three days must be used for instruction;
16		b.	Thre	ee days must be used for holidays, as selected by the school board in
17			con	sultation with district teachers from the list provided for in subdivisions b
18			thro	ugh j of subsection 1 of section 15.1-06-02;
19		C.	Up 1	to two days must be used for:
20			(1)	Parent-teacher conferences; or
21			(2)	Compensatory time for parent-teacher conferences held outside regular
22				school hours; and
23		d.	Two	days must be used for professional development.
24	2.	Đui	ing <u>Be</u>	eginning with the 2010-11 school year, a school district shall provide for a
25		sch	ool ca	alendar of at least one hundred eighty-one days.
26		a.	One	e hundred seventy-four days must be used for instruction;
27		b.	Thre	ee days must be used for holidays, as selected by the board in consultation
28			with	district teachers from the list provided for in subdivisions b through j of
29			sub	section 1 of section 15.1-06-02;
30		C.	Up 1	to two days must be used for:
31			(1)	Parent-teacher conferences; or

- association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.
- c. A school district may not require the attendance of teachers in school or at any school-sponsored, school-directed, school-sanctioned, or school-related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.
- 7. Beginning with the 2010-11 school year, if a school district elects to provide an optional third day of professional development, the school district shall do so by:
 - a. Meeting the requirements for a day of professional development as set forth in subsection 4; or
 - b. Shortening four instructional days, for the purpose of providing for two-hour periods of professional development, provided:
 - (1) Each instructional day on which such professional development occurs includes at least four hours of instruction for kindergarten and elementary students and four and one-half hours for high school students;
 - (2) The instructional time for each course normally scheduled on that day is reduced proportionately or the daily schedule is reconfigured to ensure that the same course is not subject to early dismissal more than one time per school calendar, as a result of this subdivision; and
 - (3) All teachers having a class dismissed as a result of this subdivision are required to be in attendance and participate in the professional development.
- 8. a. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hours of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend its normal school calendar day by at least thirty minutes.

2

3

- b. A school that does not qualify under the provisions of this subsection must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.
- c. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.
- 9. For purposes of this section, a full day of instruction consists of:
 - At least five and one-half hours for kindergarten and elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
 - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.

SECTION 2. AMENDMENT. Section 15.1-07-33 of the North Dakota Century Code is amended and reenacted as follows:

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

- Notwithstanding any other technology requirements imposed by the superintendent of public instruction, the information technology department, or the North Dakota educational technology council, each school district shall acquire PowerSchool through the information technology department and use it as its principal student information system.
- 2. The superintendent of public instruction shall forward that portion of a school district's state aid which is payable by the superintendent under subdivision n of subsection 1 of section 15.1-27-03.1 directly to the information technology department to reimburse the department for the cost of the school district's acquisition, implementation, or utilization of PowerSchool and any related technology support services. The superintendent shall forward the amount payable under this subsection at the same time and in the same manner as provided for other state aid payments under section 15.1-27-01.

- 3. If the portion of a school district's state aid forwarded to the information technology department under subsection 2 exceeds the cost incurred by the information technology department in providing for the school district's acquisition, implementation, or utilization of PowerSchool and any related technology support services, the information technology department shall return the excess moneys to the superintendent of public instruction for redistribution to the school district as per student payments.
- 4. The superintendent of public instruction may exempt a school district from having to acquire and utilize PowerSchool if the school district demonstrates that, in accordance with requirements of the bureau of Indian education, the district has acquired and is utilizing a student information system that is determined to be comparable by the superintendent.

SECTION 3. AMENDMENT. Section 15.1-09-58 of the North Dakota Century Code is amended and reenacted as follows:

15.1-09-58. Prekindergarten program Early childhood education - Authorization - Support.

The board of a school district may establish a <u>prekindergarten</u> an early childhood program and may receive and expend any state moneys specifically appropriated for the program, any federal funds support that <u>program with:</u>

- 1. Local tax revenues, other than those necessary to support the district's kindergarten program and the district's provision of elementary and high school educational services;
- 2. Federal moneys specifically appropriated or approved for the program; and any gifts
- 3. Gifts, grants, and donations specifically given for the program.

SECTION 4. AMENDMENT. Section 15.1-09.1-02 of the North Dakota Century Code is amended and reenacted as follows:

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

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

1	c. During the fifth school year in which a regional education association is
2	operational, and each year thereafter, each participating school district shall-
3	share at least five administrative functions and five student services, selected by
4	the district.
5	d. For purposes of this subsection:
6	(1) "Administrative functions" means:
7	(a) Business management;
8	(b) Career and technical education services management;
9	(c) Curriculum mapping or development;
10	(d) Data analysis;
11	(e) Federal program support;
12	(f) Federal title program management;
13	(g) Grant writing;
14	(h) School improvement;
15	(i) School safety and environment management;
16	(j) Special education services management;
17	(k) Staff development;
18	(I) Staff retention and recruitment;
19	(m) Staff sharing;
20	(n) Technology support; and
21	(o) Any other functions approved by the superintendent of public
22	instruction.
23	(2) "Student services" means:
24	(a) Advanced placement classes;
25	(b) Alternative high schools or alternative high school programs;
26	(c) Career and technical education classes;
27	(d) Counseling services;
28	(e) Common elementary curricula;
29	(f) Distance learning classes;
30	(g) Dual credit classes;
31	(h) Foreign language classes;

1		(i) Library and media services;	
2		(j) Summer programs;	
3		(k) Supplemental instruction programs; and	
4		(I) Any other services approved by the superintendent of public	
5		instruction.	
6		e. For purposes of this subsection, if a regional education association became	
7		operational before July 1, 2005, the 2005-06 school year must be considered the	1e
8		provider's first year of operation.	
9	5.	The joint powers agreement provides must provide:	
10		a. Criteria for the future participation of school districts that were not parties to the	
11		original joint powers agreement;	
12		b. An application process by which school districts that were not parties to the	
13		original joint powers agreement can become participating districts; and	
14		c. A process by which school districts that were not parties to the original joint	
15		powers agreement and whose application to participate in the agreement was	
16		denied can appeal the decision to the superintendent of public instruction.	
17	6. <u>5.</u>	The joint powers agreement provides must provide for the employment and	
18		compensation of staff.	
19	7. <u>6.</u>	The joint powers agreement <u>must</u> :	
20		a. Establishes Establish the number of members on the governing board;	
21		b. Establishes Establish the manner in which members of the governing board are	
22		determined;	
23		c. Requires all members Require that each member of the governing board or their	r
24		designees to be individuals be an individual currently serving on the board of a	
25		participating school district or the designee of a participating school district's	
26		board; and	
27		d. Allows Allow for the inclusion of ex officio nonvoting members on the governing	
28		board.	
29	8. 7.	The joint powers agreement provides must provide that the board of the regional	
30		education association shall meet at least quarterly.	

1	9. 8.	The joint powers agreement <u>doesmay</u> not permit the regional education association to
2		compensate members of the regional education association board for attending
3		meetings of the board and does not permit the regional education association to
4		reimburse members of the board for any expenses incurred in attending meetings of
5		the board.
6	SEC	TION 5. A new section to chapter 15.1-09.1 of the North Dakota Century Code is
7	created	and enacted as follows:
8	Reg	ional education association - Services to be offered.
9	1.	In order to be eligible for state funding, a regional education association must offer the
10		following services to its member districts:
11		a. Coordination and facilitation of professional development activities for teachers
12		and administrators employed by its member districts;
13		b. Supplementation of technology support services;
14		c. Assistance with achieving school improvement goals identified by the
15		superintendent of public instruction;
16		d. Assistance with the collection, analysis, and interpretation of student
17		achievement data; and
18		e. Assistance with the expansion and enrichment of curricular offerings.
19	2.	Subsection 1 does not preclude a regional education association from offering
20		additional services to its member districts.
21	SEC	TION 6. A new section to chapter 15.1-18.2 of the North Dakota Century Code is
22	created	and enacted as follows:
23	Prof	essional development advisory committee - Reimbursement of members.
24	Eacl	n member of the professional development advisory committee is entitled to receive
25	reimburs	sement for expenses as provided by law for state officers if the member is attending
26	committe	ee meetings, except that no member may receive reimbursement under this section for
27	more tha	an three committee meetings during each year of the biennium.
28	SEC	TION 7. A new section to chapter 15.1-18.2 of the North Dakota Century Code is
29	created	and enacted as follows:
30	Tead	cher support program - Establishment.
31	The	education standards and practices board shall:

1	1.	Establis	h and administer a teacher support program;
2	2.	Employ	an individual to serve as a teacher support program coordinator;
3	3.	a. Se	lect and train experienced teachers who will serve as mentors for first-year
4		<u>tea</u>	achers and assist the first-year teachers with instructional skills development;
5		<u>or</u>	
6		b. If a	a school district or other employing entity listed in section 9 of this Act is not in
7		ne	ed of mentors for its first-year teachers, select and train experienced teachers
8		<u>wh</u>	o will work with school district administrators and administrators from the other
9		<u>en</u>	ploying entities to identify the needs of the non-first-year teachers and help
10		the	e non-first-year teachers address their particular needs through the use of:
11		(1)	Research-validated interventions; and
12		(2)	Proven instructional methods.
13	SEC	CTION 8.	A new section to chapter 15.1-18.2 of the North Dakota Century Code is
14	created	and enac	eted as follows:
15	Tea	cher sup	port program - Availability of services.
16	The	educatio	n standards and practices board may use any moneys it receives for the
17	<u>teacher</u>	support p	program to provide staff compensation, training, evaluation, and stipends for
18	mentors	and exp	erienced teachers who assist first-year and non-first-year teachers participating
19	in the pr	<u>ogram, a</u>	nd to pay for any other administrative expenses resulting from the program;
20	provided	d, howeve	er, that the board may not expend more than five percent of the moneys for
21	<u>adminis</u>	trative pu	rposes.
22	SEC	CTION 9.	A new section to chapter 15.1-18.2 of the North Dakota Century Code is
23	created	and enac	eted as follows:
24	Tea	cher sup	port program - Authorized service recipients.
25	The	educatio	n standards and practices board may provide support services to teachers
26	employe	ed by:	
27	1.	School	<u>districts;</u>
28	2.	Special	education units;
29	3.	Area ca	reer and technology centers;
30	4.	Regiona	al education associations; and
31	5.	Schools	funded by the bureau of Indian education.

1	SECTION 10. AMENDMENT. Section 15.1-21-02.1 of the North Dakota Century Code is					
2	amended and reenacted as follows:					
3	15.1-21-02.1. High school graduation - Diploma diploma - Minimum requirements.					
4	Except as provided in section 15.1-21-02.3, before a school district, a nonpublic high					
5	school, or the center for distance education issues a high school diploma to a student, the					
6	student must have successfully completed the following twenty-two units of high school					
7	coursework :					
8	1. Four units of English language arts from a sequence that includes literature,					
9	composition, and speech;					
10	2. Three units of mathematics;					
11	3. 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. 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	Of					
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. One unit of physical education; or					
25	b. One-half unit of physical education and one-half unit of health;					
26	6. Three units of:					
27	a. Foreign languages;					
28	b. Native American languages;					
29	C. Fine arts; or					
30	d. Career and technical education courses; and					
31	7. Any five additional units.					

1	4	The twenty-two units of high school coursework set forth in section 11 of this Act; and		
	1.			
1	2. Any additional units of high school coursework required by the issuing entity.			
2		TION 11. A new section to chapter 15.1-21 of the North Dakota Century Code is		
3	created	and enacted as follows:		
4	High	n school graduation - Minimum requirements.		
5	Exce	ept as provided in section 15.1-21-02.3, the following twenty-two units of high school		
6	coursew	ork constitute the minimum requirement for high school graduation:		
7	1	Four units of English language arts from a sequence that includes literature,		
8		composition, and speech;		
9	2.	Three units of mathematics;		
10	3.	Three units of science, including:		
11		a. One unit of physical science;		
12		b. One unit of biology; and		
13		c. (1) One unit of any other science; or		
14		(2) Two one-half units of any other science;		
15	4.	Three units of social studies, including:		
16		a. One unit of United States history;		
17		b. (1) One-half unit of United States government and one-half unit of economics;		
18		<u>or</u>		
19		(2) One unit of problems of democracy; and		
20		c. One unit or two one-half units of any other social studies, which may include		
21		civics, civilization, geography and history, multicultural studies, North Dakota		
22		studies, psychology, sociology, and world history;		
23	5.	a. One unit of physical education; or		
24		b. One-half unit of physical education and one-half unit of health;		
25	6.	Three units of:		
26		a. Foreign languages;		
27		b. Native American languages;		
28		c. Fine arts; or		
29		d. Career and technical education courses; and		
30	7.	Any five additional units.		

1	SEC	SECTION 12. AMENDMENT. Section 15.1-21-02.4 of the North Dakota Century Code is				
2	amended and reenacted as follows:					
3	15.1	15.1-21-02.4. North Dakota career and technical education scholarship.				
4	Any	esident student who graduates from a high school during or	after the 2010-11 school			
5	year is e	gible to receive a North Dakota career and technical educati	on scholarship provided			
6	the stud	nt completes all requirements set forth in subsections 1 throu	ugh 5 and subsection 7 of			
7	section	-1-21-02.1 for a high school diploma and:				
8	1.	Completed four units of English language arts from a sequer	nce that includes literature,			
9		composition, and speech;				
10	2.	Completed three units of mathematics, including:				
11		a. Completes one One unit of algebra II, as defined by the	superintendent of public			
12		instruction, in fulfillment of the mathematics requiremen	t set forth in subsection 2			
13		of section 15.1-21-02.1; and				
14		o. Completes two Two units of any other mathematics;				
15	3.	Completed three units of science, including:				
16		a. One unit of physical science;				
17		o. One unit of biology; and				
18		c. (1) One unit of any other science; or				
19		(2) Two one-half units of any other science;				
20	4.	Completed three units of social studies, including:				
21		a. One unit of United States history;				
22		 One-half unit of United States government and on 	e-half unit of economics;			
23		<u>or</u>				
24		(2) One unit of problems of democracy; and				
25		c. One unit or two one-half units of any other social studie	s, which may include			
26		civics, civilization, geography and history, multicultural s	studies, North Dakota			
27		studies, psychology, sociology, and world history;				
28	<u>5.</u>	a. Completed one unit of physical education; or				
29		o. One-half unit of physical education and one-half unit of	health;			
30	6.	Completed:				
31		a. One unit selected from:				

1			(1)	Foreign languages:
2			(2)	Native American languages;
3			(3)	American sign language;
4			(4)	Fine arts; or
5			<u>(5)</u>	Career and technical education courses; and
6		b.	Two	units of a coordinated plan of study recommended by the department of
7			care	eer and technical education and approved by the superintendent of public
8			instr	ruction; and
9	c. 7.	Con	nplete	es three Completed any five additional units, two of which must be in the area
10		of ca	areer	and technical education;
11	2.	-Obta	ains a	grade of at least "C" in each unit or one-half unit required for the diploma;
12	3. 8.	a.	<u>(1)</u>	Obtains Obtained a cumulative grade point average of at least "B" 3.0 on a
13				4.0 grading scale, as determined by the superintendent of public instruction,
14				based on all high school units in which the student was enrolled; and
15			(2)	Obtained a grade of at least "C" in each unit or one-half unit; or
16		b.	(1)	Obtained a cumulative grade point average of at least 3.0 on a 4.0 grading
17				scale, as determined by the superintendent of public instruction, based only
18				on the units required by subsections 1 through 7 of this section; and
19			(2)	Obtained a grade of at least "C" in each unit or one-half unit; and
20	4. <u>9.</u>	Rec	eives	Received:
21		a.	A cc	omposite score of at least twenty-four on an ACT; or
22		b.	A sc	core of at least five on each of three WorkKeys assessments recommended
23			by tl	he department of career and technical education and approved by the
24			supe	erintendent of public instruction.
25	SEC	OITS	N 13.	AMENDMENT. Section 15.1-21-02.5 of the North Dakota Century Code is
26	amende	d and	l reer	nacted as follows:
27	15.1	-21-0	2.5.	North Dakota academic scholarship.
28	Any	resid	ent s	tudent who graduates from a high school during or after the 2010-11 school
29	year is e	eligible	e to r	eceive a North Dakota academic scholarship provided the student completes
30	all requi	reme	nts so	et forth in subsections 1 through 5 and subsection 7 of section 15.1-21-02.1
31	for a high school diploma and:			

1	1.	Con	npleted four units of English language arts from a sequence that includes literature,
2		com	position, and speech;
3	2.	Con	npleted three units of mathematics, including:
4		_a.	Completes one One unit of algebra II, as defined by the superintendent of public
5			instruction, in fulfillment of the mathematics requirement set forth in subsection 2
6			of section 15.1-21-02.1; and
7		b.	Completes one additional One unit of mathematics for which algebra II, as defined
8			by the superintendent of public instruction, is a prerequisite; and
9	c. 3.	Con	npletes Completed three units of science, including:
10		a.	One unit of physical science;
11		b.	One unit of biology; and
12		C.	(1) One unit of any other science; or
13			(2) Two one-half units of any other science;
14	4.	Con	npleted three units of social studies, including:
15		a.	One unit of United States history;
16		b.	(1) One-half unit of United States government and one-half unit of economics;
17			<u>or</u>
18			(2) One unit of problems of democracy; and
19		C.	One unit or two one-half units of any other social studies, which may include
20			civics, civilization, geography and history, multicultural studies, North Dakota
21			studies, psychology, sociology, and world history;
22	<u>5.</u>	<u>a.</u>	Completed one unit of physical education; or
23		b.	One-half unit of physical education and one-half unit of health;
24	6.	<u>a.</u>	Completed:
25			(1) Two units of the same foreign or native American language;
26			(2) One unit of fine arts or career and technical education American sign
27			language; and
28	(3) b.	One unit of a foreign or native selected from:
29			(1) Foreign languages;
30			(2) Native American language, finelanguages;
31			(3) American sign language;

1			(4) Fine arts, or career; or
2			(5) Career and technical education;
3	2.	-Obt	ains a grade of at least "C" in each unit or one-half unit required for the diploma;
4	-3. 7.	Obt	ainsCompleted any five additional units, one of which must be in the area of fine
5		<u>arts</u>	or career and technical education;
6	8.	a.	(1) Obtained a cumulative grade point average of at least "B" 3.0 on a 4.0
7			grading scale, as determined by the superintendent of public instruction,
8			based on all high school units in which the student was enrolled; and
9			(2) Obtained a grade of at least "C" in each unit or one-half unit; or
10		b.	(1) Obtained a cumulative grade point average of at least 3.0 on a 4.0 grading
11			scale, as determined by the superintendent of public instruction, based only
12			on the units required by subsections 1 through 7 of this section; and
13			(2) Obtained a grade of at least "C" in each unit or one-half unit;
14	<u>4.9.</u>	Rec	eives Received a composite score of at least twenty-four on an ACT; and
15	5. 10.	<u>a.</u>	Completes Fulfilled any one unit requirement set forth in subsections 1 through 7
16			of this section by means of an advanced placement course and examination; or
17		b.	Fullfilled any one-half unit requirement set forth in subsections 1 through 7 of this
18			section by means of a dual-credit course.
19	SEC	OITS	14. AMENDMENT. Section 15.1-21-02.6 of the North Dakota Century Code is
20	amende	d and	reenacted as follows:
21	15.1	1-21-0	02.6. North Dakota scholarship - Amount - Applicability.
22	1.	<u>a.</u>	_The state board of higher education shall provide to any student certified as
23			being eligible by the superintendent of public instruction either a North Dakota
24			academic scholarship or a North Dakota career and technical education
25			scholarship in the amount of seven hundred fifty dollars for each semester during
26			which the student is enrolled full time at an accredited institution of higher
27			education in this state and maintains a cumulative grade point average of 2.75.
28		b.	The state board of higher education shall provide to any student certified as
29			being eligible by the superintendent of public instruction either a North Dakota
30			academic scholarship or a North Dakota career and technical education
31			scholarship in the amount of five hundred dollars for each quarter during which

1		the student is enrolled full time at an accredited institution of higher education in
2		this state and maintains a cumulative grade point average of 2.75.
3	2.	A student is not entitled to receive more than six thousand dollars under this section.
4	3.	The state board of higher education shall forward the scholarship directly to the
5		institution in which the student is enrolled.
6	4.	a. (1) This section does not require a student to be enrolled in consecutive
7		semesters.
8		(2) This section does not require a student to be enrolled in consecutive
9		<u>quarters.</u>
10		b. However, a scholarship under this section is valid only for six academic years
11		after the student's graduation from high school and may not be applied to
12		graduate programs.
13	5.	A scholarship under this section is available to any eligible student who graduates
14		from a high school in this state or from a high school in a bordering state under
15		chapter 15.1-29.
16	SEC	CTION 15. A new section to chapter 15.1-21 of the North Dakota Century Code is
17	created	and enacted as follows:
18	Nor	th Dakota scholarship - Eligibility - One-time exception.
19	1.	a. Notwithstanding section 15.1-21-02.6, if a student's cumulative grade point
20		average as determined by the state board of higher education at the conclusion
21		of a semester is below 2.75, the board shall grant an exception and provide the
22		North Dakota scholarship to which the student would otherwise be entitled for the
23		next semester in which the student is enrolled full time. The exception provided
24		by this section is applicable to a student only one time.
25		b. If a student's cumulative grade point average as determined by the state board of
26		higher education at the conclusion of a semester is below 2.75 for a second time,
27		the student is no longer eligible to receive any additional North Dakota
28		scholarships.
29	2.	a. Notwithstanding section 15.1-21-02.6, if a student's cumulative grade point
30		average as determined by the state board of higher education at the conclusion
31		of a quarter is below 2.75, the board shall grant an exception and provide the

North Dakota scholarship to which the student would otherwise be entitled for the next quarter in which the student is enrolled full time. The exception provided by this section is applicable to a student only one time.

b. If a student's cumulative grade point average as determined by the state board of higher education at the conclusion of a quarter is below 2.75 for a second time, the student is no longer eligible to receive any additional North Dakota scholarships.

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

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

- 1. The superintendent of public instruction shall administer to public school students a test that is aligned to the state content and achievement standards in reading and mathematics. This test must be administered to all public school students in at least one grade level selected within each of the following grade spans: grades three through five; grades six through nine; and grades ten through twelve. Beginning no later than the 2005-06 school year and annually thereafter, the superintendent of public instruction shall administer the reading and mathematics testannually to all public school students in grades three, four, five, six, seven, eight, and eleven.
- 2. Beginning no later than the 2007-08 school year and annually thereafter, the The superintendent of public instruction shall administer a test that is aligned to the state content and achievement standards in science. This test must be administered to all public school students in at least one grade level selected from three through five; in at least one grade level selected from six through nine; and in grade eleven. The superintendent of public instruction may not administer the grade eleven test after December first of each school year.

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

15.1-21-18. Career interest inventory <u>- Educational and career planning - Consultation</u>.

1. A school district shall administer to students, once during their enrollment in grade seven or eight and once during their enrollment in grade nine or ten, a career interest

- inventory recommended by the department of career and technical education and approved by the superintendent of public instruction.
- 2. At least once during the seventh or eighth grade, each school district shall arrange for students to participate in either an individual consultative process or a nine-week course, for the purpose of discussing the results of their career interest inventory, selecting high school courses appropriate to their educational pursuits and career interests, and developing individual high school education plans.
- 3. Each school district shall notify its high school students that, upon request, a student is entitled to receive a consultative review of the student's individual high school education plan at least once during each high school grade. Upon the request of a student, the school district shall provide the consultative review.
- 4. Each school district shall verify compliance with the requirements of this section at the time and in the manner required by the superintendent of public instruction.

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

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

- 1. Except as otherwise provided, each public and nonpublic school student in grade eleven shall take the ACT, including the writing test, or three WorkKeys assessments recommended by the department of career and technical education and approved by the superintendent of public instruction. The student shall determine which summative assessment to take. The student's school district of residence superintendent of public instruction is responsible for the cost of procuring and administering one summative assessment and its administration per student.
- 2. The student's career advisor or guidance counselor shall meet with the student to review the student's assessment results.
- A school district superintendent or a school administrator in the case of a nonpublic school student may exempt a student from the requirements of this section if taking the test is not required by the student's individualized education program plan or if other special circumstances exist.
- 4. If the superintendent of public instruction determines that the cost of the summative assessment and its administration can be reduced through use of a state procurement

1	С.	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	<u>е.</u>	0.30 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 least proficient and are enrolled in a program of instruction for-
8		English language learners;
9	f.	0.25 the number of full-time equivalent students enrolled in an alternative high
10		school;
11	g.	0.25 the number of full-time equivalent students enrolled in an isolated
12		elementary school;
13	———— h.	0.25 the number of full-time equivalent students enrolled in an isolated high-
14		school;
15	i.	0.20 the number of full-time equivalent students attending school in a bordering-
16		state in accordance with section 15.1-29-01;
17	j.	0.20 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 not proficient and are enrolled in a program of instruction for
20		English language learners;
21	k.	0.17 the number of full-time equivalent students enrolled in an early childhood
22		special education program;
23		0.07 the number of students enrolled in average daily membership, in order to
24		support the provision of special education services;
25		0.07 the number of full-time equivalent students who on a test of English
26		language proficiency approved by the superintendent of public instruction are
27		determined to be somewhat proficient and are enrolled in a program of instruction-
28		for English language learners;
29	n.	0.004 the number of students enrolled in average daily membership in a school-
30		district that is a participating member of a regional education association meeting
31		the requirements of chapter 15.1-09.1; and

1		0.	0.002 the number of students enrolled in average daily membership, in order to
2			support technology.
3	2 .	The	superintendent of public instruction shall determine each school district's weighted
4		ave	rage daily membership by adding the products derived under subsection 1 to the
5		dist	rict's average daily membership.
6	——(Eff	ectiv	e after June 30, 2011) Weighted average daily membership - Determination.
7	1.	For	each school district, the superintendent of public instruction shall multiply by:
8		a.	1.00 the number of full-time equivalent students enrolled in a migrant summer
9			program;
10		b.	1.00 the number of full-time equivalent students enrolled in an extended
11			educational program in accordance with section 15.1-32-17;
12		C.	0.60 the number of full-time equivalent students enrolled in a summer education
13			program;
14		d.	0.50 the number of full-time equivalent students enrolled in a home-based
15			education program and monitored by the school district under chapter 15.1-23;
16		e.	0.30 the number of full-time equivalent students who-on:
17			(1) On a test of English language proficiency approved by the superintendent of
18			public instruction are determined to be least proficient and placed in the first
19			of six categories of proficiency; and are
20			(2) Are enrolled in a program of instruction for 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. <u>h.</u>	0.20 the number of full-time equivalent students who-on:
30			(1) On a test of English language proficiency approved by the superintendent of
31			public instruction are determined to be not more proficient than students

1		placed in the first of six categories of proficiency and therefore placed in the
2		second of six categories of proficiency; and are
3		(2) Are enrolled in a program of instruction for English language learners;
4	k. i.	0.17 the number of full-time equivalent students enrolled in an early childhood
5		special education program;
6	l.j .	0.070.10 the number of students enrolled in average daily membership, if the
7		district has fewer than one hundred students enrolled in average daily
8		membership and the district consists of an area greater than two hundred
9		seventy-five square miles [19424.9 hectares], provided that any school district
10		consisting of an area greater than six hundred square miles [155399 hectares]
11		and enrolling fewer than fifty students in average daily membership must be
12		deemed to have an enrollment equal to fifty students in average daily
13		membership;
14	<u>k.</u>	0.073 the number of students enrolled in average daily membership, in order to
15		support the provision of special education services;
16	m. l.	0.07 the number of full-time equivalent students who-on:
17		(1) On a test of English language proficiency approved by the superintendent of
18		public instruction are determined to be somewhatmore proficient and
19		arethan students placed in the second of six categories of proficiency and
20		therefore placed in the third of six categories of proficiency;
21		(2) Are enrolled in a program of instruction for English language learners; and
22		(3) Have not been in the third of six categories of proficiency for more than
23		three years;
24	n. <u>m.</u>	0.025 the number of students representing that percentage of the total number of
25		students in average daily membership which is equivalent to the three-year
26		average percentage of students in grades three through eight who are eligible for
27		free or reduced lunches under the Richard B. Russell National School Lunch Act
28		[42 U.S.C. 1751 et seq.];
29	<u>n.</u>	0.006 the number of students enrolled in average daily membership in each
30		public school in the district that:
31		(1) Has acquired and is utilizing the PowerSchool student information system;

1			(2) Has acquired and is in the process of implementing the PowerSchool
2			student information system; or
3			(3) Will acquire the PowerSchool student information system during the current
4			school year, provided the acquisition is contractually demonstrated; and
5		0.	0.004 the number of students enrolled in average daily membership in a school
6			district that is a participating member of a regional education association meeting
7			the requirements of chapter 15.1-09.1; and
8		-p.	0.002 the number of students enrolled in average daily membership, in order to
9			support technology.
10	2.	The	superintendent of public instruction shall determine each school district's weighted
11		ave	rage daily membership by adding the products derived under subsection 1 to the
12		dist	rict's average daily membership.
13	SE	CTIOI	N 21. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is
14	amende	ed and	d reenacted as follows:
15	15.	1-27-0	04. Per student payment rate.
16	1.	a.	The per student payment rate to which each school district is entitled for the first
17			year of the biennium is three thousand twonine hundred thirty dollars.
18		b.	The per student payment rate to which each school district is entitled for the
19			second year of the biennium is three thousand sevennine hundred
20			seventy-nineseventy dollars.
21	2.	In o	rder to determine the state aid payment to which each district is entitled, the
22		sup	erintendent of public instruction shall multiply each district's weighted student units
23		by t	he per student payment rate set forth in subsection 1.
24	SEC	CTIO	N 22. AMENDMENT. Section 15.1-27-07.2 of the North Dakota Century Code is
25	amende	ed and	d reenacted as follows:
26	15.	1-27-0	07.2. Baseline funding - Determination - Minimum and maximum allowable
27	increas	es.	
28	1.	The	superintendent of public instruction shall determine each school district's baseline
29		fund	ding per weighted student unit by:
30		a.	Adding together all state aid received by the district during the 2006-07 school
31			vear;

30

- Subtracting the amount received by the district during the 2006-07 school year
 for transportation aid, special education excess cost reimbursements, special
 education contracts, prior year funding adjustments, and per student payments
 for participation in educational associations governed by joint powers
 agreements; and
- c. Dividing the amount determined under subdivision b by the district's 2007-08 weighted student units.
- a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for the 2009-10 school year, is at least equal to one hundred eight percent of the baseline funding per weighted student unit, as established in subsection 1.
 - b. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, for each school year after the 2009-10 school year, is at least equal to one hundred twelve and one-half percent of the baseline funding per weighted student unit, as established in subsection 1.
- 3. a. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments under section 15.1-27-11 per weighted student unit, does not exceed, for the 2009-102011-12 school year, one hundred twentyforty-two percent of the baseline funding per weighted student unit, as established in subsection 1.
 - b. The superintendent of public instruction shall ensure that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments under section 15.1-27-11 per weighted student unit, does not exceed, for each school year after the 2009-10 school year, one hundred thirty-four percent of the baseline funding per weighted student unit, as established in subsection 1.

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

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

15.1-27-11. Equity payments.

- 1. The superintendent of public instruction shall:
 - a. Divide the imputed taxable valuation of the state by the total average daily membership of all school districts in the state in order to determine the state average imputed taxable valuation per student.
 - b. Divide the imputed taxable valuation of each school district by the district's total average daily membership in order to determine each district's average imputed taxable valuation per student.
- If a school district's imputed taxable valuation per student is less than ninety percent of the statewide imputed taxable valuation per student, the superintendent of public instruction shall calculate the valuation deficiency by:
 - Determining the difference between ninety percent of the state average imputed taxable valuation per student and the district's average imputed taxable valuation per student; and
 - b. Multiplying that difference by the district's total average daily membership.
- 3. Except as provided in subsection 4, the equity payment to which a district is entitled under this section equals the district's valuation deficiency multiplied by the lesser of:
 - a. The district's general fund levy for the taxable year 2008; or
 - b. One hundred eighty-five mills.
- 4. a. The equity payment to which a district is entitled may not exceed the district's taxable valuation multiplied by its general fund levy for the taxable year 2008.
 - b. If a district's general fund levy for the taxable year 2008 is less than one hundred eighty-five mills, the superintendent of public instruction shall subtract the district's general fund levy for the taxable year 2008 from one hundred eighty-five mills, multiply the result by the district's taxable valuation, and subtract that result from the equity payment to which the district is otherwise entitled.
 - c. If a district's imputed taxable valuation per student is less than fifty percent of the statewide imputed taxable valuation per student, the payment to which the district is entitled under this section may not be less than twenty percent of the statewide imputed taxable valuation per student times the school district's average daily membership, multiplied by one hundred eighty-five mills.

- 5. In determining the amount to which a school district is entitled under this section, the superintendent of public instruction may not include any payments received by the district as a result of Public Law No. 81-874 [64 Stat. 1100; 20 U.S.C. 236 et seq.] and may not include in the district's average daily membership students who are dependents of members of the armed forces and students who are dependents of civilian employees of the department of defense.
- 6. <u>In determining the statewide average imputed taxable valuation per student for purposes of this section, the superintendent of public instruction may not include:</u>
 - a. Any school district, which if included in the calculation would have an imputed taxable valuation per student that is three times greater than the statewide average imputed taxable valuation per student; and
 - b. Any school district, which if included in the calculation would have an imputed taxable valuation per student that is less than one-fifth of the statewide average imputed taxable valuation per student.
- 7. For purposes of this section:
 - a. "General fund levy" includes a district's high school transportation levy and its high school tuition levy.
 - b. "Imputed taxable valuation" means the valuation of all taxable real property in the district plus:
 - (1) An amount determined by dividing seventy percent of the district's mineral and tuition revenue, revenue from payments in lieu of property taxes on distribution and transmission of electric power, revenue from payments in lieu of taxes from electricity generated from sources other than coal, and revenue received on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3 by the district's general fund mill levy for the taxable year 2008; and
 - (2) An amount determined by dividing the district's revenue from mobile home taxes and telecommunications taxes by the district's general fund mill levy for the taxable year 2008.

- c. "Mineral revenue" includes all revenue from county sources reported under code 2000 of the North Dakota school district financial accounting and reporting manual as developed by the superintendent of public instruction in accordance with section 15.1-02-08.
- d. "Tuition revenue" includes all revenue reported under code 1300 of the North Dakota school district financial accounting and reporting manual as developed by the superintendent of public instruction in accordance with section 15.1-02-08. "Tuition revenue" does not include tuition income received specifically for the operation of an educational program provided at a residential treatment facility.

SECTION 24. AMENDMENT. Section 15.1-27-35.3 of the North Dakota Century Code is amended and reenacted as follows:

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

- 1. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1, 2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty five percent of its actual expenditures, plus twenty thousand dollars.
- 2. In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that:
 - a. (1) Were received by the district during the school year ending June 30, 2009, on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3; and
 - (2) Exceeded the amount received by the district during the school year ending June 30, 2008, for the purpose stated in paragraph 1;

- b. Were received directly by the district from the United States government in accordance with the American Recovery and Reinvestment Act of 2009; or
- c. Were received by the district as supplemental one-time grants under section 52 of S.L. 2009, ch. 175.
- 3. Any district having more than fifty thousand dollars excluded in the determination of its ending fund balance, as required by subsection 2, shall provide a report to the legislative council. The report, which must be presented at the time and in the manner-directed by the legislative council, must address how the money was expended, including the number of mills by which the district was able to decrease its property taxes, if such was a permitted use.

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

- 1. The superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars. Beginning July 1, 2008, the superintendent of public instruction shall determine the amount of payments due a school district and shall subtract from that the amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of forty-five percent of its actual expenditures, plus twenty thousand dollars.
- In making the determination required by subsection 1, the superintendent of public instruction may not include in a district's unobligated general fund balance any moneys that were received by the district from the federal education jobs fund program.

SECTION 25. A new section to chapter 15.1-27 of the North Dakota Century Code is created and enacted as follows:

Supplemental teacher-effectiveness compensation plan.

 A representative organization authorized by a negotiating unit, as defined in subdivision b of subsection 2 of section 15.1-16-01, and the board of a school district may agree to pursue a supplemental teacher-effectiveness compensation plan for teachers in the negotiating unit.

1	2.	The negotiating unit may include:
2		a. All teachers employed by the board to teach in the school district; or
3		b. All teachers employed by the board to teach at a particular school in the district.
4	3.	For purposes of this section and the implementation of the supplemental
5		teacher-effectiveness compensation plan, "teacher" means an individual defined in
6		subdivision b of subsection 6 of section 15.1-02-13.
7	SEC	CTION 26. A new section to chapter 15.1-27 of the North Dakota Century Code is
8	created	and enacted as follows:
9	Sup	plemental teacher-effectiveness compensation plan - Development committee -
10	Membe	rship.
11	1	Upon agreeing to pursue a supplemental teacher-effectiveness compensation plan,
12		the board of the school district and the representative organization shall form a
13		committee to develop the plan. The membership of the committee must be agreed
14		upon by the board of the school district and the representative organization.
15	2.	At the initial meeting of the committee, the members shall establish rules of operation
16		and procedure.
17	3.	The committee formed under this section is a public entity for purposes of chapter
18		<u>44-04.</u>
19	SEC	CTION 27. A new section to chapter 15.1-27 of the North Dakota Century Code is
20	created	and enacted as follows:
21	Sup	plemental teacher-effectiveness compensation plan - Required content.
22	1	A supplemental teacher-effectiveness compensation plan developed under this section
23		must:
24		a. Include only matters of compensation and may not include other terms or
25		conditions of employment normally negotiated under chapter 15.1-16;
26		b. Provide for a determination of compensation that takes into account:
27		(1) Whether the school district has had difficulty filling a particular position with
28		a suitable and highly qualified teacher;
29		(2) Whether a teacher has advanced academic degrees or special skills and
30		knowledge beyond those minimally required for a position;

1	(3) Whether a teacher has pursued certified professional development activities
2	beyond those minimally required for a position;
3	(4) Whether a teacher has assumed responsibilities that are beyond those
4	minimally required for a position; and
5	(5) Various measures of student growth, including academic growth;
6	c. Include a rigorous and objective system of teacher evaluation that equitably links
7	an individual's performance to the opportunity for additional compensation; and
8	d. Ensure that no teacher subject to the plan will receive less total compensation
9	than that teacher was eligible to receive under the last contract negotiated under
10	<u>chapter 15.1-16.</u>
11	2. A supplemental teacher-effectiveness compensation plan is not subject to a
12	declaration of impasse under chapter 15.1-16.
13	SECTION 28. A new section to chapter 15.1-27 of the North Dakota Century Code is
14	created and enacted as follows:
15	Supplemental teacher-effectiveness compensation plan - Review panel - Duties.
16	1. Upon agreeing to a supplemental teacher-effectiveness compensation plan, the plan
17	development committee shall forward the plan to a panel consisting of:
18	a. Two employees of the department of public instruction, selected by the
19	superintendent of public instruction;
20	b. Two individuals appointed by the North Dakota council of educational leaders;
21	c. Two individuals appointed by the North Dakota education association; and
22	d. Two individuals appointed by the North Dakota school boards association.
23	2. Beginning April 1, 2012, the panel shall review each plan that is submitted to ensure
24	that it meets the requirements of section 27 of this Act
25	SECTION 29. A new section to chapter 15.1-27 of the North Dakota Century Code is
26	created and enacted as follows:
27	Supplemental teacher-effectiveness compensation plan - Review panel - Additional
28	<u>duties.</u>
29	In addition to the duties set forth in section 28 of this Act, the review panel shall:
30	Develop and distribute guidelines pertaining to the creation of supplemental
31	teacher-effectiveness compensation plans;

1	2.	Upon request meet with and advise plan development committees pursuing the
2		creation of supplemental teacher-effectiveness compensation plans; and
3	3.	Provide advice to the superintendent of public instruction regarding the hiring of any
4		employees or the selection of any contractors whose duties will be related to
5		supplemental teacher-effectiveness compensation.
6	SEC	CTION 30. A new section to chapter 15.1-27 of the North Dakota Century Code is
7	created	and enacted as follows:
8	Ann	nual report - Required content.
9	1.	Any school district that receives state moneys to implement a supplemental
10		teacher-effectiveness compensation plan shall file an annual report with the
11		superintendent of public instruction, at the time and in the manner directed by the
12		superintendent. The report must address whether the plan has:
13		a. Alleviated difficulty filling particular positions with suitable and highly qualified
14		teachers;
15		b. Encouraged teachers to pursue advanced academic degrees or acquire special
16		skills and knowledge beyond those minimally required for a position;
17		c. Encouraged teachers to pursue certified professional development activities
18		beyond those minimally required for a position;
19		d. Encouraged teachers to assume additional responsibilities that are beyond those
20		minimally required for a position; and
21		e. Resulted in measurable student growth, including academic growth.
22	2.	The report also must include suggestions for modifications to the plan, if appropriate.
23	3.	The representative organization shall indicate in writing its agreement with the report
24		and the suggestions for modifications, as submitted by the school district in
25		accordance with this section, or provide to the superintendent of public instruction a
26		separate report together with any suggestions for modifications.
27	4.	The superintendent of public instruction shall provide copies of the report to the plan
28		review panel established by section 28 of this Act.
29	SEC	CTION 31. A new section to chapter 15.1-27 of the North Dakota Century Code is
30	created	and enacted as follows:

1	Exi	ting contra	cts - Terms - Effect.
2	1.	The terms	of any contract entered before July 1, 2011, between the board of a school
3		district and	a representative organization in accordance with chapter 15.1-16, remain
4		in force and	d effect for the duration of the contract.
5	2.	A suppleme	ental teacher-effectiveness compensation plan authorized by this Act may
6		take effect	on July 1, 2012.
7	SEC	TION 32. A	new section to chapter 15.1-27 of the North Dakota Century Code is
8	created	and enacted	as follows:
9	Pla	review pai	nel - Reimbursement for expenses.
10	Eac	n member of	the supplemental teacher-effectiveness compensation plan review panel is
11	entitled	o receive re	imbursement for expenses as provided by law for state officials if the
12	membe	is attending	meetings or performing duties directed by the panel.
13	SEC	TION 33. A	MENDMENT. Section 15.1-36-02 of the North Dakota Century Code is
14	amende	d and reena	cted as follows:
15	15.	-36-02. Sch	ool construction projects - Loans.
16	1.	The board	of university and school lands may authorize the use of moneys in the coal
17		developme	nt trust fund established pursuant to section 21 of article X of the
18		Constitutio	n of North Dakota and subsection 1 of section 57-62-02 to provide school
19		constructio	n loans, as described in this chapter. The outstanding principal balance of
20		loans unde	r this chapter may not exceed fifty million dollars. The board may adopt
21		policies an	d rules governing school construction loans.
22	2.	In order to	be eligible for a loan under this section, the board of a school district shall:
23		a. Propo	se a construction project with a cost of at least one million dollars and an
24		expec	ted utilization of at least thirty years;
25		b. Obtain	n the approval of the superintendent of public instruction for the construction
26		projec	t under section 15.1-36-01; and
27		c. Subm	it to the superintendent of public instruction an application containing all
28		inform	ation deemed necessary by the superintendent, including potential
29		altern	ative sources or methods of financing the construction project.
30	3.	The superi	ntendent of public instruction shall give priority to any district that meets the
31		requiremen	its for receipt of an equity payment under section 15.1-27-11.

- 4. If an eligible school district's imputed taxable valuation per student is less than eighty percent of the state average imputed valuation per student, the district is entitled to receive:
 - a. A school construction loan equal to the lesser of eighty percent of the actual project cost;
 - b. An interest rate discount equal to at least <u>fiftyone hundred</u> but not more than two hundred <u>fifty</u> basis points below the prevailing tax-free bond rates; and
 - c. A term of repayment that may extend up to twenty years.
- 5. If an eligible school district's imputed taxable valuation per student is equal to at least eighty percent but less than ninety percent of the state average imputed taxable valuation per student, the district is entitled to receive:
 - a. A school construction loan equal to the lesser of seventen million dollars or seventy percent of the actual project cost;
 - b. An interest rate buydown equal to at least <u>fiftyone hundred</u> but not more than two hundred <u>fifty</u> basis points below the prevailing tax-free bond rates; and
 - c. A term of repayment that may extend up to twenty years.
- 6. If an eligible school district's imputed taxable valuation per student is equal to at least ninety percent of the state average imputed taxable valuation per student, the district is entitled to receive:
 - a. A school construction loan equal to the lesser of twofour million five hundred thousand dollars or thirty percent of the actual project cost;
 - b. An interest rate discount equal to at least <u>fiftyone hundred</u> but not more than two hundred <u>fifty</u> basis points below the prevailing tax-free bond rates; and
 - c. A term of repayment that may extend up to twenty years.
- 7. The board of a school district may submit its loan application to the superintendent of public instruction before or after receiving authorization of a bond issue in accordance with chapter 21-03. If the vote to authorize a bond issue precedes the application for a loan, the application must be acted upon by the superintendent expeditiously but no later than one hundred eighty days from the date it is received by the superintendent.
- 8. The superintendent of public instruction shall consider each loan application in the order it received approval under section 15.1-36-01.

1	9.	If th	e superintendent of public instruction approves the loan, the superintendent may
2		dete	ermine the loan amount, the term of the loan, and the interest rate, in accordance
3		with	the requirements of this section.
4	10.	The	superintendent of public instruction may adopt rules governing school
5		con	struction loans.
6	11.	For	purposes of this section, a construction project means the purchase, lease,
7		ere	ction, or improvement of any structure or facility by a school board, provided the
8		acq	uisition or activity is within a school board's authority.
9	SEC	СТІОІ	N 34. AMENDMENT. Section 15.1-37-01 of the North Dakota Century Code is
10	amende	ed and	d reenacted as follows:
11	15.	1-37-0	01. Early childhood education program - Approval.
12	1.	Any	person or school district operating an early childhood education program may
13		req	uest approval of the program from the superintendent of public instruction. The
14		sup	erintendent shall approve an early childhood education program if the program:
15		1. a.	Is taught by individuals who are licensed to teach in early childhood education by
16			the education standards and practices board;
17		2. b.	Follows a developmentally appropriate curriculum; and
18		3. c.	Is in compliance with all municipal and state health, fire, and safety requirements
19			<u>and</u>
20		d.	Limits its enrollment to children who have reached the age of four before August
21			first in the year of enrollment.
22	2.	_ Per	student funding will not be provided to individuals or school districts offering a
23		pre	kindergartenIn determining the state aid payments to which a school district is
24		<u>enti</u>	tled, the superintendent of public instruction may not count any student enrolled in
25		<u>a re</u>	egular early childhood education program.
26	SE	CTIO	N 35. AMENDMENT. Subsection 1 of section 15.1-37-02 of the North Dakota
27	Century	Cod	e is amended and reenacted as follows:
28	1.	The	North Dakota early childhood education council consists of:
29		a.	A chairman appointed by the governor;
30		b.	The superintendent of public instruction, or the superintendent's designee;
31		C.	The state health officer, or the officer's designee;

1	d. The	director of the department of human services, or the director's designee;
2	e. The	North Dakota head start - state collaboration administrator, or the
3	adm	inistrator's designee;
4	f. The	commissioner of higher education, or the commissioner's designee;
5	g. <u>The</u>	commissioner of commerce, or the commissioner's designee;
6	h. The	chairman of the senate education committee, or the chairman's designee;
7	h. i. The	chairman of the house of representatives education committee, or the
8	chair	man's designee; and
9	<u>i.j.</u> The	following gubernatorial appointees:
10	(1)	The superintendent of a school district having at least one thousand
11		students in average daily membership;
12	(2)	The superintendent of a school district having fewer than one thousand
13		students in average daily membership;
14	(3)	The superintendent of a school district headquartered on a reservation or
15		including reservation land within its boundaries;
16	(4)	The principal of a school district;
17	(5)	An individual employed as an elementary school teacher;
18	(6)	An individual representing a non-religious-based provider of presehoolearly
19		<u>childhood</u> education;
20	(7) (<u>5)</u>	An individual representing a religious-based provider of preschoolearly
21		<u>childhood</u> education;
22	(8) (6)	An individual representing a center-based licensed child care provider;
23	(9) (7)	An individual representing a home-based licensed child care provider;
24	(10) (<u>8</u>)	An individual representing a reservation-based head start program;
25	(11) (9)	An elected member of a school board;
26	(12) (10)	The parent of a child not yet enrolled in elementary school; and
27	(13) (11)	The parent of a child with special needs disabilities not yet enrolled in
28		elementary school- <u>; and</u>
29	(12)	An individual representing children with disabilities.
30	SECTION 36.	AMENDMENT. Section 15.1-37-03 of the North Dakota Century Code is
31	amended and reen	acted as follows:

1 15.1-37-03. Council - Duties. 2 The council shall: 3 Review the deliveryavailability and provision of early childhood education, care, and 4 services in this state; 5 2. Conduct a needs assessment: 6 3. Review early childhood education standards and propose revisions to the standards 7 as needed: 8 4. Review Identify opportunities for public and private sector collaboration in the 9 deliveryprovision of early childhood education, care, and services in this state; 10 5. Develop a comprehensive plan governing the delivery of early childhood education in 11 this state; and 12 6.3. Identify ways to assist with the recruitment and retention of individuals interested in 13 working as providers of early childhood education, care, and services, including 14 training and continuing education or professional development opportunities; 15 Seek the advice and guidance of individuals who are uniquely familiar with the nature, 16 scope, and associated challenges of providing early childhood education, care, and 17 services in geographically and socioeconomically diverse settings, and develop 18 recommendations pertaining to the short-term and longer-term improvement and 19 expansion of early childhood education, care, and services in this state; and 20 Provide a biennial report regarding its activities findings and recommendations to the 21 governor and the legislative council assembly. 22 SECTION 37. AMENDMENT. Section 57-15-14 of the North Dakota Century Code is 23 amended and reenacted as follows: 24 57-15-14. General fund levy limitations in school districts. 25 The aggregate amount levied each year for the purposes listed in section 57-15-14.2 by any 26 school district, except the Fargo school district, may not exceed the amount in dollars which the 27 school district levied for the prior school year plus twelve percent up to a general fund levy of 28 one hundred eighty-five mills on the dollar of the taxable valuation of the district, except that: 29 In any school district having a total population in excess of four thousand according to 30 the last federal decennial census there may be levied any specific number of mills that

upon resolution of the school board has been submitted to and approved by a majority

- of the qualified electors voting upon the question at any regular or special school district election.
- In any school district having a total population of fewer than four thousand, there may
 be levied any specific number of mills that upon resolution of the school board has
 been approved by fifty-five percent of the qualified electors voting upon the question at
 any regular or special school election.
- 3. After June 30, 2009, in any school district election for approval by electors of increased levy authority under subsection 1 or 2, the ballot must specify the number of mills proposed for approval, and the number of taxable years for which that approval is to apply. After June 30, 2009, approval by electors of increased levy authority under subsection 1 or 2 may not be effective for more than ten taxable years.
- 4. The authority for a levy of up to a specific number of mills under this section approved by electors of a school district before July 1, 2009, is terminated effective for taxable years after 2015. If the electors of a school district subject to this subsection have not approved a levy for taxable years after 2015 of up to a specific number of mills under this section by December 31, 2015, the school district levy limitation for subsequent years is subject to the limitations under section 57-15-01.1 or this section.
- 5. The authority for an unlimited levy approved by electors of a school district before July 1, 2009, is terminated effective for taxable years after 2015. If the electors of a school district subject to this subsection have not approved a levy of up to a specific number of mills under this section by December 31, 2015, the school district levy limitation for subsequent years is subject to the limitations under section 57-15-01.1 or this section.
- 6. A school district that experiences a rapidly increasing taxable valuation may levy, for the taxable year of the rapidly increasing taxable valuation and the next taxable year, the amount in dollars which the school district levied for the prior school year plus eighteen percent, up to a general fund levy of one hundred eighty-five mills on the dollar of the taxable valuation of the district. For purposes of this subsection, "rapidly increasing taxable valuation" means an increase of twenty percent or more in taxable valuation from the immediately preceding taxable year.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

The question of authorizing or discontinuing such specific number of mills authority in any school district must be submitted to the qualified electors at the next regular election upon resolution of the school board or upon the filing with the school board of a petition containing the signatures of qualified electors of the district equal in number to ten percent of the number of electors who cast votes in the most recent election in the school district. However, not fewer than twenty-five signatures are required. However, the approval of discontinuing such authority does not affect the tax levy in the calendar year in which the election is held. The election must be held in the same manner and subject to the same conditions as provided in this section for the first election upon the question of authorizing the mill levy.

SECTION 38. ISOLATED SCHOOLS - TRANSITION PAYMENTS.

- 1. If during the 2010-11 school year a school district received payments as a result of section 15.1-27-15, as the section existed on June 30, 2011, and if that district is not eligible for the factor established under subdivision j of subsection 1 of section 15.1-27-03.1, the district is entitled to the following transition payments:
 - a. For the 2011-12 school year, an amount equal to that which the district would have received under section 15.1-27-15, as the section existed on June 30, 2011;
 - For the 2012-13 school year, an amount equal to seventy-five percent of that which the district would have received under section 15.1-27-15, as the section existed on June 30, 2011;
 - c. For the 2013-14 school year, an amount equal to fifty percent of that which the district would have received under section 15.1-27-15, as the section existed on June 30, 2011; and
 - d. For the 2014-15 school year, an amount equal to twenty-five percent of that which the district would have received under section 15.1-27-15, as the section existed on June 30, 2011.
- Upon the closure of a school that met the definition of isolated under section 15.1-27-15, as it existed on June 30, 2011, the superintendent of public instruction shall cease to provide to the district the transition payments established under subsection 1.

SECTION 39. TRANSPORTATION GRANTS - DISTRIBUTION.

1 During each year of the 2011-13 biennium, the superintendent of public instruction 2 shall calculate the payment to which each school district is entitled based on the state 3 transportation formula as it existed on June 30, 2001, except that the superintendent 4 shall provide reimbursement at the rate of: 5 One dollar and three cents per mile for schoolbuses having a capacity of ten or a. 6 more passengers; 7 Forty-six cents per mile for vehicles having a capacity of nine or fewer b. 8 passengers; 9 Forty-six cents per mile, provided: C. 10 The student being transported is a student with a disability, as defined in 11 chapter 15.1-32; 12 (2) The student's individualized education program plan requires that the 13 student attend a public or a nonpublic school located outside the student's 14 school district of residence: 15 (3) The student is transported by an adult member of the student's family; 16 The student is transported in a vehicle furnished by the student's parents; (4) 17 (5) The student's transportation is paid for by the student's parents; and 18 (6) The reimbursement does not exceed two round trips daily between the 19 student's home and school. 20 d. Forty-six cents per mile, one way, provided: 21 The student being transported resides more than two miles from the public 22 school that the student attends; 23 The student is transported by an adult member of the student's family; (2) 24 (3) The student is transported in a vehicle furnished by the student's parents; 25 and 26 The student's transportation is paid for by the student's parents; and 27 Twenty-six cents per student for each one-way trip. 28 2. The superintendent of public instruction shall use the latest available student 29 enrollment count in each school district in applying the provisions of subsection 1. 30 3. If any moneys provided for transportation payments in the grants transportation line 31 item in the appropriation bill for the superintendent of public instruction, as approved

- by the sixty-second legislative assembly, remain after application of the formula provided for in this section, the superintendent of public instruction shall prorate the remaining amounts according to the percentage of the total transportation formula amount to which each school district is entitled.
- 4. This section does not authorize the reimbursement of any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 40. SCHOOL DISTRICT RAPID ENROLLMENT GROWTH - GRANTS. During the 2011-13 biennium, the superintendent of public instruction shall expend up to \$5,000,000 from the grants - other grants line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-second legislative assembly, for the purpose of providing a grant to any school district that can demonstrate rapid enrollment growth in accordance with this section.

- 1. If the number of full-time equivalent students enrolled in a school district has increased by at least three percent annually and if that increase is equal to at least twenty-five full-time equivalent students, as demonstrated by the district's September tenth fall enrollment report, the district is entitled to receive a grant equal to thirty percent of the per student payment provided for in section 15.1-27-04 multiplied by the actual increase in its full-time equivalent student enrollment.
- 2. If the number of full-time equivalent students enrolled in a school district has increased by at least seven percent annually and if that increase is equal to at least twenty-five full-time equivalent students, as demonstrated by the district's September tenth fall enrollment report, the district is entitled to receive a grant equal to seventy percent of the per student payment provided for in section 15.1-27-04 multiplied by the actual increase in its full-time equivalent student enrollment.
- 3. If the number of full-time equivalent students enrolled in a school district has increased by at least thirteen percent annually and if that increase is equal to at least twenty-five full-time equivalent students, as demonstrated by the district's September tenth fall enrollment report, the district is entitled to receive a grant equal to the per student payment provided for in section 15.1-27-04 multiplied by the actual increase in its full-time equivalent student enrollment.

- 3
- 4 5
- 6
- 7 8
- 9 10
- 11 12
- 13 14
- 15 16
- 17 18
- 19 20
- 21
- 22 23
- 24 25
- 26 27
- 28 29
- 30

- If the amount of the expenditure provided for in this section is insufficient to meet the obligations of this section, the superintendent of public instruction shall prorate the payment based on the percentage of the total amount to which each school district is entitled.
- A district may not receive more than \$800,000 annually in accordance with this section.

SECTION 41. SUPPLEMENTAL TEACHER-EFFECTIVENESS COMPENSATION PLAN -

GRANTS. During the 2011-13 biennium, the superintendent of public instruction shall expend up to \$700,000 from the grants - other grants line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-second legislative assembly for the purpose of providing a grant to any school district that submits an eligible supplemental teacher-effectiveness compensation plan in accordance with section 27 of this Act.

- The amount of the grant to which a district is entitled must provide reimbursement for any costs the district incurred in developing the plan.
- 2. If providing the grants to each eligible district would exceed the expenditure authorized by this section, the superintendent of public instruction, with the advice of the review panel, shall select districts of varying size to receive the grants and shall prioritize the grants based on those plans that show the greatest potential to increase teacher-effectiveness through supplemental compensation. For purposes of this subsection, the superintendent of public instruction shall consider a district to be:
 - a. Small, if it has fewer than one thousand weighted student units;
 - Medium, if it has at least one thousand but fewer than five thousand weighted b. student units; and
 - Large, if it has at least five thousand weighted student units.

SECTION 42. ALTERNATIVE MIDDLE SCHOOL - GRANTS.

During the 2011-13 biennium, the superintendent of public instruction shall expend up 1. to \$300,000 from the grants - other grants line item in the appropriation bill for the superintendent of public instruction, as approved by the sixty-second legislative assembly, for the purpose of providing a grant to any school district that offers an alternative education program for students enrolled in grades six through eight.

	Legisiat	ive Assembly
1	2.	The superintendent of public instruction shall determine the amount to which a school
2		district is entitled under this section based on the district's percentage of the statewide
3		number of students in grades six through eight who are enrolled in an alternative
4		education program for at least fifteen hours per week.
5	3.	A district may not receive more than \$15,000 annually in accordance with this section.
6	SEC	CTION 43. USE OF NEW MONEY - TEACHER COMPENSATION INCREASES -
7	REPOR	TS TO THE LEGISLATIVE MANAGEMENT.
8	1.	During the 2011-13 biennium, the board of each school district shall use an amount
9		equal to at least seventy percent of all new money received by the district for per
10		student payments to increase the compensation paid to teachers and to provide
11		compensation to teachers who begin employment with the district on or after July 1,
12		2011.
13	2.	For purposes of this section, the superintendent of public instruction shall calculate the
14		amount of new money received by a district during the 2011-13 biennium by:
15		a. Determining the total amount of state dollars received by each district during the
16		2009-11 biennium as per student payments, provided that equity payments,
17		transportation payments, contingency distributions, mill levy reduction payments,
18		and technology support payments are not to be included in the total;
19		b. Determining the total amount of state dollars received by each district during the
20		2011-13 biennium as per student payments, provided that the following are not to
21		be included in the total:
22		(1) Contingent distributions;
23		(2) Cross-border attendance moneys;
24		(3) Deferred maintenance and physical plant improvements grants;
25		(4) Equity payments;
26		(5) Federal education jobs funds program moneys;
27		(6) Home-based education program monitoring moneys;
28		(7) Mill levy reduction payments;
29		(8) PowerSchool acquisition, implementation, and utilization moneys;
30		(9) Regional education association moneys and grants; and
31		(10) Transportation payments; and

- 3
- 4
- 5 6
- 7 8
- 9 10
- 11
- 12 13
- 14 15
- 16 17
- 19

- 20 21
- 23

24

22

- 25 26 27
- 28 29
- 30
- 31

- Subtracting the amount arrived at under subdivision a from the amount arrived at under subdivision b.
- 3. School districts providing educational services under a cooperative agreement approved by the superintendent of public instruction must, for purposes of this section, be treated as a single district.
- 4. a. This section does not apply to a school district if the board of the school district, after a public hearing at which public testimony and documentary evidence are accepted, determines in its discretion and by an affirmative vote of two-thirds of the members of the board that complying with subsection 1 would place the school district in the position of having insufficient fiscal resources to meet the school district's other obligations.
 - b. Within ten days of the vote required by subdivision a, the school board shall notify the superintendent of public instruction of its action and shall file a report detailing the grounds for its determination and action.
 - C. The superintendent of public instruction shall report all notices received under this subsection to the legislative management.

SECTION 44. CONTINGENT MONEY. If any money appropriated to the superintendent of public instruction for state aid payments to school districts remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2011, and ending June 30, 2013, the superintendent shall use the remaining moneys to provide additional per student payments on a prorated basis according to the latest available average daily membership of each school district.

SECTION 45. CONTINGENT TRANSFER BY BANK OF NORTH DAKOTA FOR SPECIAL EDUCATION. If during the biennium beginning July 1, 2011, and ending June 30, 2013, the superintendent of public instruction determines that, using all available sources, there are insufficient funds with which to fully reimburse school districts for the excess costs of serving the one percent of special education students statewide who require the greatest school district expenditures in order to be provided with special education and related services, the industrial commission shall transfer from the earnings and accumulated and undivided profits of the Bank of North Dakota the amount the superintendent of public instruction certifies is necessary to provide the statutorily required level of reimbursement. The superintendent of public instruction

1	shall file for introduction legislation requesting that the sixty-third legislative assembly return any			
2	amount transferred under this section to the Bank of North Dakota.			
3	SECTION 46. LEGISLATIVE MANAGEMENT STUDY - ADULT EDUCATION. During the			
4	2011-12 interim, the legislative management shall consider studying the provision and funding			
5	of adult education. The legislative management shall report its findings and recommendations,			
6	together with any legislation required to implement the recommendations, to the legislative			
7	management.			
8	SECTION 47. EDUCATION FUNDING AND TAXATION COMMITTEE - STUDY.			
9	The education funding and taxation committee consists of:			
0	a. The following nine voting members:			
11	(1) The chairman of the house education committee, or the chairman's			
2	designee;			
3	(2) The chairman of the house finance and taxation committee, or the			
4	chairman's designee;			
5	(3) The chairman of the senate education committee, or the chairman's			
6	designee;			
7	(4) The chairman of the senate finance and taxation committee, or the			
8	chairman's designee; and			
9	(5) Five legislators appointed by the chairman of the legislative management;			
20	and			
21	b. The following five nonvoting members:			
22	(1) The tax commissioner or the commissioner's designee;			
23	(2) The superintendent of public instruction or the superintendent's designee;			
24	(3) A representative of the governor, selected by the governor; and			
25	(4) Two school district business managers, appointed by the legislative			
26	management.			
27	2. The chairman of the legislative management shall select one from among the voting			
28	members to serve as the chairman of the committee.			
<u> 2</u> 9	3. The committee shall operate according to the statutes and procedure governing the			
30	operation of other legislative management interim committees.			

1	4. The committee shall examine short-term and longer-term state and local involvement
2	in funding elementary and secondary education. The committee shall report its
3	findings and recommendations, together with any legislation required to implement the
4	recommendations, to the legislative management.
5	SECTION 48. REPEAL. Section 6 of this Act and sections 15.1-18.2-01, 15.1-18.2-02, and
6	15.1-18.2-03 of the North Dakota Century Code are repealed.
7	SECTION 49. REPEAL. Section 15.1-27-15 of the North Dakota Century Code is repealed.
8	SECTION 50. EFFECTIVE DATE. Section 48 of this Act becomes effective on July 1, 2013.