

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1019

Page 1, line 2, after "education" insert "; to create and enact sections 15-20.1-26 and 15-20.1-27 of the North Dakota Century Code, relating to the meetings, compensation, powers, and duties of the educational technology council; to amend and reenact section 15-19-06 of the North Dakota Century Code, relating to the center for distance education operating fund; and to repeal sections 54-59-17 and 54-59-18 of the North Dakota Century Code, relating to the meetings, compensation, powers, and duties of the educational technology council"

Page 1, replace lines 10 through 22 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,699,975	\$93,343	\$4,793,318
Operating expenses	1,240,589	1,075,000	2,315,589
Grants	30,106,356	(21,041,214)	9,065,142
Grants - secondary	0	22,537,780	22,537,780
Marketplace for kids	0	300,000	300,000
Grants - postsecondary	296,207	45,189	341,396
Adult farm management	579,822	1,214,420	1,794,242
Workforce training	2,000,000	0	2,000,000
Center for distance education	0	8,994,167	8,994,167
Educational technology council	<u>0</u>	<u>770,978</u>	<u>770,978</u>
Total all funds	\$38,922,949	\$13,989,663	\$52,912,612
Less estimated income	<u>9,616,666</u>	<u>5,586,455</u>	<u>15,203,121</u>
Total general fund	\$29,306,283	\$8,403,208	\$37,709,491
Full-time equivalent positions	24.50	28.30	52.80"

Page 2, after line 6, insert:

**"SECTION 3. AMENDMENT.** Section 15-19-06 of the North Dakota Century Code is amended and reenacted as follows:

**15-19-06. Special funds - Deposit of collections - Transfers from general fund appropriations.**

1. A special operating fund for the center for distance education must be maintained within the state treasury and all income and fees collected by the center for distance education from any source must be remitted monthly by the director to the state treasurer and credited to the special operating fund. All expenditures from the fund must be within the limits of legislative appropriations and must be made upon vouchers, signed and approved by the ~~technology director appointed by the educational technology council~~ of the department of career and technical education. Upon approval of the vouchers by the office of the budget, warrant-checks must be prepared by the office of management and budget. The state treasurer shall make periodic transfers upon order of the director of the office of management and budget from the center for distance education general fund appropriation to the special operating fund whenever its balance falls so low as to require supplementation.

2. The educational technology council may establish an administrative operational fund, of not to exceed ten thousand dollars, out of the special operating fund for the center for distance education. The administrative operational fund must be deposited in the Bank of North Dakota and may be drawn upon by the state director of the center for distance education for the payment of necessary expenses in the administration and operation of the center for distance education within the limits and rules prescribed by the educational technology council. The director shall submit a full, minute, and itemized statement of every expenditure made during the month to the council in accordance with the rules adopted by the council, and thereafter the council may periodically authorize additional transfers to the administrative operational fund, but the balance in the fund may never exceed ten thousand dollars, and any unencumbered balance at the end of any biennium must revert to the state treasury. The administrative operational fund may not be used to pay salaries or expenses of the director.
3. The educational technology council may establish a scholarship fund to provide financial grants to students enrolled in courses offered through the center for distance education. The scholarship fund may consist only of those funds specifically appropriated by the legislative assembly and property received by the council or the center for distance education as a gift, devise, or bequest. Any gift, devise, or bequest of property received by the council or center for distance education which is designated by the council and donor for the scholarship fund must be deposited in the scholarship fund at the Bank of North Dakota. The state director of the center for distance education may draw only on the interest earned by the scholarship fund for the award of scholarships within the limits and rules adopted by the educational technology council. The interest earned by the scholarship fund is appropriated to the center for distance education.

**SECTION 4.** Section 15-20.1-26 of the North Dakota Century Code is created and enacted as follows:

**15-20.1-26. Educational technology council - Meetings - Compensation.**

1. The educational technology council is responsible for coordinating educational technology initiatives for elementary and secondary education.
2. The educational technology council consists of:
  - a. The chief information officer.
  - b. The superintendent of public instruction or the superintendent's designee.
  - c. The commissioner of higher education or the commissioner's designee.
  - d. A representative appointed by the state board for career and technical education.
  - e. A representative appointed by the governor from a list of three nominees submitted by the North Dakota association of technology leaders.

- f. A representative appointed by the governor from a list of three nominees submitted by the North Dakota council of educational leaders.
  - g. A representative appointed by the governor from a list of three nominees submitted by the North Dakota school boards association.
  - h. A representative appointed by the governor from a list of three nominees submitted by the North Dakota association of special education directors.
  - i. A school district representative who is appointed by the governor and who represents a school district that has an enrollment in kindergarten through grade twelve of fewer than four hundred.
  - j. A school district representative who is appointed by the governor, who is licensed to teach by the educational standards and practices board, and who is employed by a public school district in this state as a classroom teacher.
  - k. The director of technology for the department of public instruction.
  - l. A representative appointed by the governor from a list of three nominees submitted by the state association of nonpublic schools.
3. The council shall select a chairman from among its members.
  4. The term of office for the members appointed by the governor is four years.
  5. The members of the educational technology council appointed by the governor are entitled to receive as compensation sixty-two dollars and fifty cents per day and reimbursement of expenses as provided by law for state officers while attending meetings of the council.

**SECTION 5.** Section 15-20.1-27 of the North Dakota Century Code is created and enacted as follows:

**15-20.1-27. North Dakota educational technology council - Powers and duties.**

The educational technology council shall:

1. Coordinate the use of technology and the development of technology systems to enhance educational opportunities for elementary and secondary education.
2. Cooperate with state agencies and other organizations to develop statewide educational technology systems.
3. Adopt bylaws for the conduct of its affairs.
4. Publish the informational material it deems necessary.
5. Conduct a continuing study to assess the needs, resources, and facilities that are available or which may be required to establish educational technology systems throughout the state.

6. Solicit and receive moneys from public and private sources and expend the moneys for educational technology.
7. Appoint a technology director who shall serve at the will of the council.
8. Hire the director of the center for distance education.

**SECTION 6. REPEAL.** Sections 54-59-17 and 54-59-18 of the North Dakota Century Code are repealed."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1019 - Dept. of Career and Technical Education - House Action**

	Base Budget	House Changes	House Version
Salaries and wages	\$4,699,975	\$93,343	\$4,793,318
Operating expenses	1,240,589	1,075,000	2,315,589
Grants	30,106,356	(21,041,214)	9,065,142
Grants - Postsecondary	296,207	45,189	341,396
Adult farm management	579,822	1,214,420	1,794,242
Workforce training	2,000,000		2,000,000
Center for Distance Education		8,994,167	8,994,167
Educational Technology Council		770,978	770,978
Grants - Secondary Marketplace for Kids		22,537,780	22,537,780
		300,000	300,000
Total all funds	\$38,922,949	\$13,989,663	\$52,912,612
Less estimated income	9,616,666	5,586,455	15,203,121
General fund	\$29,306,283	\$8,403,208	\$37,709,491
FTE	24.50	28.30	52.80

**Department 270 - Dept. of Career and Technical Education - Detail of House Changes**

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Removes 1 FTE Assistant Program Supervisor Position <sup>3</sup>	Transfers the Center for Distance Education <sup>4</sup>	Removes 1 FTE Center for Distance Education Position <sup>5</sup>	Transfers the Educational Technology Council <sup>6</sup>
Salaries and wages	\$32,673	\$220,407	(\$159,737)			
Operating expenses						
Grants						
Grants - Postsecondary						
Adult farm management						
Workforce training						
Center for Distance Education		248,110		\$8,850,000	(\$103,943)	
Educational Technology Council		5,856				\$765,122
Grants - Secondary Marketplace for Kids						
Total all funds	\$32,673	\$474,373	(\$159,737)	\$8,850,000	(\$103,943)	\$765,122
Less estimated income	36,455	0	0	3,050,000	0	500,000
General fund	(\$3,782)	\$474,373	(\$159,737)	\$5,800,000	(\$103,943)	\$265,122
FTE	0.00	0.00	(1.00)	29.80	(1.00)	0.50

	Adjusts Base Level Funding <sup>7</sup>	Adds Funding for Anticipated Federal Funds Increases <sup>8</sup>	Line Item Transfers <sup>9</sup>	Adds Funding for Grants to School Districts and Area Centers <sup>10</sup>	Adds Funding for the Marketplace for Kids Program <sup>11</sup>	Total House Changes
Salaries and wages						\$93,343
Operating expenses		\$400,000	\$675,000			1,075,000
Grants	(\$220,000)	1,600,000	(22,421,214)			(21,041,214)
Grants - Postsecondary	(25,818)		71,007			45,189
Adult farm management	(350,007)		1,564,427			1,214,420
Workforce training Center for Distance Education						8,994,167
Educational Technology Council						770,978
Grants - Secondary Marketplace for Kids			20,110,780	\$2,427,000	\$300,000	22,537,780
						300,000
Total all funds	(\$595,825)	\$2,000,000	\$0	\$2,427,000	\$300,000	\$13,989,663
Less estimated income	0	2,000,000	0	0	0	5,586,455
General fund	(\$595,825)	\$0	\$0	\$2,427,000	\$300,000	\$8,403,208
FTE	0.00	0.00	0.00	0.00	0.00	28.30

<sup>1</sup> Funding is adjusted for base payroll changes.

<sup>2</sup> The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month:

**General Fund**

Salary increase	\$237,884
Health insurance increase	<u>236,489</u>
Total	\$474,373

<sup>3</sup> One FTE assistant program supervisor position is removed.

<sup>4</sup> Transfers 29.80 FTE positions and related funding of \$8,850,000 from the Information Technology Department to the Department of Career and Technical Education. Of this amount, \$5,800,000 is for salaries and wages from the general fund and \$3,050,000 is for operating expenses from the independent study operating fund.

<sup>5</sup> One FTE office assistant III position for the Center for Distance Education and related salaries and wages funding of \$103,943 from the general fund is removed. Including salaries and health insurance increases of \$248,110 approved by the House, the total appropriation for the Center for Distance Education is \$8,994,167, of which \$5,944,167 is for salaries and wages from the general fund and \$3,050,000 is for operating expenses from the independent study operating fund. The total authorized FTE for the Center for Distance Education is 28.80 positions.

<sup>6</sup> Transfers 0.50 FTE administrative assistant II position and \$765,122 for the Educational Technology Council from the Information Technology Department to the Department of Career and Technical Education. Of this amount, \$265,122 is from the general fund for salaries (\$76,556), operating expenses (\$103,566), and grants (\$85,000). The remaining \$500,000 is from federal funds for capital assets.

<sup>7</sup> Base level funding is adjusted as follows:

**General Fund**

Reduces funding for grants	(\$220,000)
Reduces funding for postsecondary grants	(25,818)
Reduces funding for adult farm management grants	<u>(350,007)</u>
Total	(\$595,825)

<sup>8</sup> Adds funding of \$2 million for anticipated increases in federal funds, of which \$400,000 is for operating expenses and \$1.6 million is for grants.

<sup>9</sup> Funding of \$22,421,214 is transferred from the grants line item to the following line items:

	<b><u>General Fund</u></b>	<b><u>Other Funds</u></b>	<b><u>Total</u></b>
Operating expenses	\$100,000	\$575,000	\$675,000
Grants - Secondary	20,110,780	0	20,110,780
Grants - Postsecondary	71,007	0	71,007
Adult farm management	<u>1,564,427</u>	<u>0</u>	<u>1,564,427</u>
Total	\$21,846,214	\$575,000	\$22,421,214

<sup>10</sup> Funding of \$2,427,000 is added for grants to school districts and area centers to provide a total appropriation of \$22,537,780 from the general fund in the grants - secondary line item.

<sup>11</sup> Funding of \$300,000 is added from the general fund for the Marketplace for Kids program. One-time funding of \$300,000 was appropriated for the 2017-19 biennium, of which \$250,000 was from the general fund and \$50,000 was from the foundation aid stabilization fund.

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Sections are added to:

- Change the position responsible for approving Center for Distance Education expenditures from the technology director of the Educational Technology Council to the director of the Department of Career and Technical Education.
- Transfer the Educational Technology Council from the Information Technology Department to the Department of Career and Technical Education by including related statutory provisions under the Department of Career and Technical Education chapter of the Century Code and repealing related provisions from the Information Technology Department chapter.