

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1013 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Department of Public Instruction			
Salaries and wages	\$18,280,006	\$17,439,176	(\$840,830)
Operating expenses	30,517,072	30,165,005	(352,067)
Integrated formula payments	1,916,640,000	1,935,204,163	18,564,163
Grants - Special education contracts	17,300,000	19,300,000	2,000,000
Grants - Transportation	57,000,000	55,400,000	(1,600,000)
Grants - Other grants	267,807,227	254,382,705	(13,424,522)
PowerSchool	6,000,000	5,500,000	(500,000)
Transportation efficiency	30,000	30,000	
National board certification	120,000	120,000	
Grants - Program grants		6,210,000	6,210,000
Grants - Passthrough grants		2,898,000	2,898,000
Total all funds	\$2,313,694,305	\$2,326,649,049	\$12,954,744
Less estimated income	624,685,766	891,047,065	266,361,299
General fund	<u>\$1,689,008,539</u>	<u>\$1,435,601,984</u>	<u>(\$253,406,555)</u>
FTE	99.75	91.75	(8.00)
State Library			
Salaries and wages	\$4,019,839	\$4,152,758	\$132,919
Operating expenses	1,713,393	1,604,075	(109,318)
Grants	2,785,500	2,109,028	(676,472)
Total all funds	\$8,518,732	\$7,865,861	(\$652,871)
Less estimated income	2,438,751	2,247,560	(191,191)
General fund	<u>\$6,079,981</u>	<u>\$5,618,301</u>	<u>(\$461,680)</u>
FTE	29.75	28.75	(1.00)
School for the Deaf			
Salaries and wages	\$7,291,854	\$7,588,749	\$296,895
Operating expenses	1,925,163	2,026,543	101,380
Capital assets	227,174	891,678	664,504
Grants	186,900	180,000	(6,900)
Total all funds	\$9,631,091	\$10,686,970	\$1,055,879
Less estimated income	1,089,210	3,198,444	2,109,234
General fund	<u>\$8,541,881</u>	<u>\$7,488,526</u>	<u>(\$1,053,355)</u>
FTE	45.61	45.61	0.00
Vision Services - School for the Blind			
Salaries and wages	\$4,554,349	\$4,660,995	\$106,646
Operating expenses	739,169	773,206	34,037
Capital assets	24,454	174,692	150,238
Total all funds	\$5,317,972	\$5,608,893	\$290,921
Less estimated income	569,325	1,214,747	645,422
General fund	<u>\$4,748,647</u>	<u>\$4,394,146</u>	<u>(\$354,501)</u>
FTE	30.00	28.50	(1.50)
Bill Total			
Total all funds	\$2,337,162,100	\$2,350,810,773	\$13,648,673
Less estimated income	628,783,052	897,707,816	268,924,764
General fund	<u>\$1,708,379,048</u>	<u>\$1,453,102,957</u>	<u>(\$255,276,091)</u>
FTE	205.11	194.61	(10.50)

House Bill No. 1013 - Department of Public Instruction - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$18,280,006	(\$815,828)	\$17,464,178
Operating expenses	30,517,072	(352,067)	30,165,005
Integrated formula payments	1,916,640,000	23,655,041	1,940,295,041
Grants - Special education contracts	17,300,000	2,000,000	19,300,000
Grants - Transportation	57,000,000	(5,700,000)	51,300,000
Grants - Other grants	267,807,227	(13,744,522)	254,062,705
PowerSchool	6,000,000	(500,000)	5,500,000
Transportation efficiency	30,000		30,000
National board certification	120,000		120,000
Grants - Program grants		6,115,000	6,115,000
Grants - Passthrough grants		2,378,000	2,378,000
Total all funds	\$2,313,694,305	\$13,035,624	\$2,326,729,929
Less estimated income	624,685,766	241,055,491	865,741,257
General fund	\$1,689,008,539	(\$228,019,867)	\$1,460,988,672
FTE	99.75	(8.00)	91.75

Department 201 - Department of Public Instruction - Detail of House Changes

	Adds Funding for Base Payroll Changes¹	Adds Funding for Health Insurance Increases²	Removes 2 FTE Positions from Base Budget³	Removes 3 Additional FTE Positions⁴	Removes 3 FTE Programmer and Research Positions⁵	Adjusts Funding for Operating Expenses⁶
Salaries and wages	2,064	283,332	(251,575)	(400,462)	(449,187)	
Operating expenses					449,187	(801,254)
Integrated formula payments						
Grants - Special education contracts						
Grants - Transportation						
Grants - Other grants						
PowerSchool						
Transportation efficiency						
National board certification						
Grants - Program grants						
Grants - Passthrough grants						
Total all funds	\$2,064	\$283,332	(\$251,575)	(\$400,462)	\$0	(\$801,254)
Less estimated income	0	195,878	1	0	0	500,000
General fund	\$2,064	\$87,454	(\$251,576)	(\$400,462)	\$0	(\$1,301,254)
FTE	0.00	0.00	(2.00)	(3.00)	(3.00)	0.00

	Adjusts Funding for Integrated Formula Payments⁷	Increases Funding for Special Education Grants⁸	Reduces Funding for Transportation Grants⁹	Reduces Funding for Program and Passthrough Grants¹⁰	Reduces Funding for PowerSchool¹¹	Total House Changes
Salaries and wages						(815,828)
Operating expenses						(352,067)
Integrated formula payments	23,655,041					23,655,041
Grants - Special education contracts		2,000,000				2,000,000
Grants - Transportation			(5,700,000)			(5,700,000)
Grants - Other grants				(13,744,522)		(13,744,522)
PowerSchool					(500,000)	(500,000)
Transportation efficiency						
National board certification						
Grants - Program grants				6,115,000		6,115,000
Grants - Passthrough grants				2,378,000		2,378,000
Total all funds	\$23,655,041	\$2,000,000	(\$5,700,000)	(\$5,251,522)	(\$500,000)	\$13,035,624
Less estimated income	240,359,612	0	0	0	0	241,055,491
General fund	(\$216,704,571)	\$2,000,000	(\$5,700,000)	(\$5,251,522)	(\$500,000)	(\$228,019,867)
FTE	0.00	0.00	0.00	0.00	0.00	(8.00)

¹ Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

³ Two FTE positions and related funding are removed from the base budget.

⁴ Three additional FTE positions and related funding are removed.

⁵ Three FTE information technology programmer and research positions are removed. Total funding of \$449,187, of which \$157,215 is from the general fund and \$291,972 is from federal funds, is transferred from the salaries and wages line item to the operating expenses line item to contract for services.

⁶ Funding for operating expenses is reduced by \$1,301,254 from the general fund and increased by \$500,000 of special funds from schools for food contracts.

⁷ Funding for integrated formula payments is adjusted as follows:

	General Fund	Foundation Aid Stabilization Fund	State Tuition Fund	Total
Base budget - Integrated formula payments	\$1,581,452,707	\$116,053,293	\$219,134,000	\$1,916,640,000
Increases funds available from the state tuition fund	(82,130,000)		82,130,000	
Additional funds available due to a transfer from the public instruction fund to the state tuition fund	(4,282,905)		4,282,905	
Decreases ongoing funding provided from the foundation aid stabilization fund	6,053,293	(6,053,293)		
Provides one-time funding from the foundation aid stabilization fund	(160,000,000)	160,000,000		
Adds funding for cost-to-continue integrated formula payments	18,864,163			18,864,163
Adds funding to provide for changes in local revenue in the formula	5,590,878			5,590,878
Removes funding for regional education association coordinator grants	(800,000)			(800,000)
Total - Integrated formula payments	\$1,364,748,136	\$270,000,000	\$305,546,905	\$1,940,295,041

⁸ Funding is increased for special education contract grants to provide a total of \$19.3 million from the general fund.

⁹ Funding for transportation grants is reduced to provide a total of \$51.3 million from the general fund.

¹⁰ Funding is transferred from the grants - other grants line item to a grants - program grants line item and a grants - passthrough grants line item.

Funding is reduced by \$1,384,022 for **program grants** to provide a total of \$6,115,000 from the general fund as follows:

- \$3,000,000 for adult education matching grants;
- \$1,380,000 for school food service matching grants; and
- \$1,735,000 to provide a grant pool for programs, including leveraging the senior year, leadership program, continuing education grants, preschool continuing education grants, curriculum alignment grants, teacher and principal evaluation system grants, and the free breakfast program.

Funding is reduced by \$3,867,500 for **passthrough grants** to provide the following grants from the general fund:

Mentoring program	\$2,000,000
North Central Council for Educational Media Services	238,000
Global Bridges (Atlantik-Brucke) exchange	100,000
National writing projects	20,000
Rural art outreach project	10,000
"We the People" program	10,000
Total	<u>\$2,378,000</u>

¹¹ Funding for PowerSchool is reduced to provide a total of \$5.5 million from the general fund.

This amendment also adds or changes sections to:

- Identify additional funding provided for health insurance increases.
- Provide if special education contract obligations exceed funds provided for the 2017-19 biennium, the Superintendent of Public Instruction request a deficiency appropriation from the 66th Legislative Assembly.
- Repeal North Dakota Century Code Section 6-09-45, relating to a required transfer from Bank of North Dakota undivided profits for special education contract costs.
- Provide \$270 million from the foundation aid stabilization fund for integrated formula payments, of which \$160 million is considered one-time funding.
- Transfer \$4,282,905 from the public instruction fund to the state tuition fund.
- Amend the tuition apportionment appropriation to identify total funding of \$305,546,905 provided from the state tuition fund, including \$4,282,905 transferred from the public instruction fund, and to appropriate any additional amount that becomes available in the state tuition fund to the department for integrated formula payments.
- Allow the Superintendent of Public Instruction to transfer \$1,308,000 in general fund authority from the integrated formula payments line item to the grants - special education line item (\$1.2 million) and the transportation grants line item (\$108,000) during the 2015-17 biennium for anticipated obligations based on the special education and transportation formulas.
- Repeal Section 13 of Chapter 49 of the 2015 Session Laws relating to \$3 million contingent transportation payments provided from excess state school aid funding during the 2015-17 biennium.
- Remove the distribution of regional education association coordinator grants.
- Amend the distribution of transportation grants to update reimbursement rates and remove the provision that allows the department to distribute excess funds appropriated for transportation grants.
- Amend the distribution of continuing education grants to provide for the distribution of up to \$75,000 of the program grant pool for continuing education grants.
- Amend other grant reporting to provide for the Superintendent to determine the manner in which each passthrough grant is distributed. Grantees, as a condition of receiving the grant, are required to establish performance measures to be reviewed by the Superintendent and report to the Superintendent regarding performance based on the measures before October 1, 2018. The Superintendent must provide a report to the 2019 Legislative Assembly regarding the performance measures established for each grantee and whether the grantee met performance expectations.

- Provide for a Legislative Management study relating to the feasibility and desirability of combining services for any or all English language learner programs, distance learning programs, regional education agencies, teacher center networks, adult learning centers, career and technical education programs, EduTech, continuing education for counselors, the North Dakota Leadership and Educational Administration Development Center, and the teacher mentoring program.
- Declare the section allowing the Superintendent to transfer authority between various line items during the 2015-17 biennium and the section repealing Section 13 of Chapter 49 of the 2015 Session Laws are emergency measures.
- Amend the integrated formula payments and special education contracts expenditure authority to establish an application deadline for reimbursement.

House Bill No. 1013 - Department of Public Instruction - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$18,280,006	\$17,464,178	(\$25,002)	\$17,439,176
Operating expenses	30,517,072	30,165,005		30,165,005
Integrated formula payments	1,916,640,000	1,940,295,041	(5,090,878)	1,935,204,163
Grants - Special education contracts	17,300,000	19,300,000		19,300,000
Grants - Transportation	57,000,000	51,300,000	4,100,000	55,400,000
Grants - Other grants	267,807,227	254,062,705	100,000	254,162,705
PowerSchool	6,000,000	5,500,000		5,500,000
Transportation efficiency	30,000	30,000		30,000
National board certification	120,000	120,000		120,000
Grants - Program grants		6,115,000	195,000	6,310,000
Grants - Passthrough grants		2,378,000	640,000	3,018,000
Total all funds	<u>\$2,313,694,305</u>	<u>\$2,326,729,929</u>	<u>(\$80,880)</u>	<u>\$2,326,649,049</u>
Less estimated income	<u>624,685,766</u>	<u>865,741,257</u>	<u>85,808</u>	<u>865,827,065</u>
General fund	<u>\$1,689,008,539</u>	<u>\$1,460,988,672</u>	<u>(\$166,688)</u>	<u>\$1,460,821,984</u>
FTE	99.75	91.75	0.00	91.75

Department 201 - Department of Public Instruction - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases¹	Adjusts Funding for Integrated Formula Payments²	Restores Funding for Regional Education Association Grants³	Increases Funding for Transportation Grants⁴	Adds One-time Funding for Regional Education Association Merger Grants⁵	Adjusts Funding for the Program Grant Pool⁶
Salaries and wages	(25,002)					
Operating expenses						
Integrated formula payments		(5,590,878)	500,000			
Grants - Special education contracts						
Grants - Transportation				4,100,000		
Grants - Other grants					100,000	
PowerSchool						
Transportation efficiency						
National board certification						
Grants - Program grants						95,000
Grants - Passthrough grants						
Total all funds	<u>(\$25,002)</u>	<u>(\$5,590,878)</u>	<u>\$500,000</u>	<u>\$4,100,000</u>	<u>\$100,000</u>	<u>\$95,000</u>
Less estimated income	<u>(14,192)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>0</u>
General fund	<u>(\$10,810)</u>	<u>(\$5,590,878)</u>	<u>\$500,000</u>	<u>\$4,100,000</u>	<u>\$0</u>	<u>\$95,000</u>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for Adult Education Matching Grants⁷	Increases Funding for Passthrough Grants⁸	Total Senate Changes
Salaries and wages			(25,002)
Operating expenses			
Integrated formula payments			(5,090,878)
Grants - Special education contracts			
Grants - Transportation			4,100,000
Grants - Other grants			100,000
PowerSchool			
Transportation efficiency			
National board certification			
Grants - Program grants	100,000		195,000
Grants - Passthrough grants		640,000	640,000
Total all funds	\$100,000	\$640,000	(\$80,880)
Less estimated income	0	0	85,808
General fund	\$100,000	\$640,000	(\$166,688)
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect this change.

² Funding for integrated formula payments is adjusted to remove funding for changes made by the House affecting local revenue calculations in the formula.

³ Funding is restored for regional education association grants to provide a total of \$500,000, \$300,000 less than the base budget. The House removed funding for the regional education association coordinator grants. The Senate restored the grants as annual state aid to be distributed equally to all regional education associations that exist as of July 1, 2017, rather than grants for coordinators.

⁴ Funding for transportation grants is increased to provide a total of \$55.4 million, \$1.6 million less than the base budget.

⁵ One-time funding is added from the foundation aid stabilization fund for regional education association merger grants. This program was not included in the executive recommendation or the House version.

⁶ Funding for the program grant pool is adjusted to remove the free breakfast program from the grant pool (\$205,000) and provide a separate grant of \$200,000 for the free breakfast program in the program grants line, \$5,000 less than the House version. The Senate also added \$100,000 to the program grant pool to allow the Superintendent of Public Instruction to assume the operation and management of the North Dakota Leadership and Educational Administration Development Center to provide a total of \$1,630,000 from the general fund for a grant pool for the following programs:

- Leveraging the senior year;
- Leadership program;
- Continuing education grants;
- Preschool continuing education grants;
- Curriculum alignment grants; and
- Teacher and principal evaluation system grants; and
- North Dakota Leadership and Educational Administration Development Center.

In addition, the Senate added a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of North Dakota Century Code Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool.

⁷ Funding for adult education matching grants is increased to provide a total of \$3,100,000 from the general fund, \$1,010,411 less than the base budget.

⁸ Funding for passthrough grants is increased as follows:

	Increase	Total
Teacher mentoring	\$100,000	\$2,100,000
Rural art outreach project	340,000	350,000
Global Bridges	100,000	200,000
Young entrepreneur education program	30,000	30,000
Pathfinders Parent Project	70,000	70,000
Total	<u>\$640,000</u>	<u>\$2,750,000</u>

The executive recommendation included \$120,000 for the Pathfinders Parent project. The remaining passthrough grants were not funded in the executive recommendation.

This amendment also:

- Adds a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool.
- Amends the section related to the distribution of transportation grants to update reimbursement rates.
- Amends the section related to the distribution of the program grant pool to adjust the total of the grant pool. The Senate added \$100,000 to the grant pool for the operation and management of the North Dakota Leadership and Educational Administration Development Center and removed the free breakfast program from the grant pool (\$205,000) to provide a separate appropriation for the program.
- Adds a section related to the distribution of one-time regional education association merger grants.
- Adds a section related to the distribution of regional education association grants included in the integrated formula payments line.
- Amends the section related to the distribution of passthrough grants to increase funding for certain passthrough grants.

House Bill No. 1013 - Department of Public Instruction - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$18,280,006	\$17,464,178	(\$25,002)	\$17,439,176	\$17,439,176	
Operating expenses	30,517,072	30,165,005		30,165,005	30,165,005	
Integrated formula payments	1,916,640,000	1,940,295,041	(5,090,878)	1,935,204,163	1,935,204,163	
Grants - Special education contracts	17,300,000	19,300,000		19,300,000	19,300,000	
Grants - Transportation	57,000,000	51,300,000	4,100,000	55,400,000	55,400,000	
Grants - Other grants	267,807,227	254,062,705	320,000	254,382,705	254,162,705	220,000
PowerSchool	6,000,000	5,500,000		5,500,000	5,500,000	
Transportation efficiency	30,000	30,000		30,000	30,000	
National board certification	120,000	120,000		120,000	120,000	
Grants - Program grants		6,115,000	95,000	6,210,000	6,310,000	(100,000)
Grants - Passthrough grants		2,378,000	520,000	2,898,000	3,018,000	(120,000)
Total all funds	<u>\$2,313,694,305</u>	<u>\$2,326,729,929</u>	<u>(\$80,880)</u>	<u>\$2,326,649,049</u>	<u>\$2,326,649,049</u>	<u>\$0</u>
Less estimated income	<u>624,685,766</u>	<u>865,741,257</u>	<u>25,305,808</u>	<u>891,047,065</u>	<u>865,827,065</u>	<u>25,220,000</u>
General fund	<u>\$1,689,008,539</u>	<u>\$1,460,988,672</u>	<u>(\$25,386,688)</u>	<u>\$1,435,601,984</u>	<u>\$1,460,821,984</u>	<u>(\$25,220,000)</u>
FTE	99.75	91.75	0.00	91.75	91.75	0.00

Department 201 - Department of Public Instruction - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases¹	Adjusts Funding for Integrated Formula Payments²	Adjusts Funding Source for Integrated Formula Payments³	Restores Funding for Regional Education Association Grants⁴	Increases Funding for Transportation Grants⁵	Adds One-time Funding for Regional Education Association Merger Grants⁶
Salaries and wages	(25,002)					
Operating expenses						
Integrated formula payments		(5,590,878)		500,000		
Grants - Special education contracts						
Grants - Transportation					4,100,000	
Grants - Other grants						100,000
PowerSchool						
Transportation efficiency						
National board certification						
Grants - Program grants						
Grants - Passthrough grants						
Total all funds	(\$25,002)	(\$5,590,878)	\$0	\$500,000	\$4,100,000	\$100,000
Less estimated income	(14,192)	0	25,000,000	0	0	100,000
General fund	(\$10,810)	(\$5,590,878)	(\$25,000,000)	\$500,000	\$4,100,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for the Program Grant Pool⁷	Increases Funding for Adult Education Matching Grants⁸	Increases Funding for Passthrough Grants⁹	Adds One-time Funding for the Governor's School Program¹⁰	Total Conference Committee Changes
Salaries and wages					(25,002)
Operating expenses					
Integrated formula payments					(5,090,878)
Grants - Special education contracts					
Grants - Transportation					4,100,000
Grants - Other grants				220,000	320,000
PowerSchool					
Transportation efficiency					
National board certification					
Grants - Program grants	(5,000)	100,000			95,000
Grants - Passthrough grants			520,000		520,000
Total all funds	(\$5,000)	\$100,000	\$520,000	\$220,000	(\$80,880)
Less estimated income	0	0	0	220,000	25,305,808
General fund	(\$5,000)	\$100,000	\$520,000	\$0	(\$25,386,688)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

² Funding for integrated formula payments is adjusted to remove funding for changes made by the House affecting local revenue calculations in the formula, the same as the Senate version.

³ One-time funding from the foundation aid stabilization fund for integrated formula payments is increased by \$25 million and funding from the general fund is decreased, to provide total funding from the foundation aid stabilization fund of \$295 million for integrated formula payments, of which \$185 million is considered one-time funding.

⁴ Funding is restored for regional education association grants to provide a total of \$500,000, \$300,000 less than the base budget, and the same as the Senate version. The House removed funding for the regional education association coordinator grants. The Senate

restored the grants as annual state aid to be distributed equally to all regional education associations that exist as of July 1, 2017, rather than grants for coordinators.

- ⁵ Funding for transportation grants is increased to provide a total of \$55.4 million, \$1.6 million less than the base budget, the same as the Senate version.
- ⁶ One-time funding is added from the foundation aid stabilization fund for regional education association merger grants, the same as the Senate version. This program was not included in the executive recommendation or the House version.
- ⁷ Funding for the program grant pool is adjusted to remove the free breakfast program from the grant pool (\$205,000) and provide a separate grant of \$200,000 for the free breakfast program in the program grants line item, the same as the Senate version, and \$5,000 less than the House version.

A total of \$1,530,000 from the general fund is provided for a grant pool for the following programs:

- Leveraging the senior year;
- Leadership program;
- Continuing education grants;
- Preschool continuing education grants;
- Curriculum alignment grants; and
- Teacher and principal evaluation system grants.

The Conference Committee did not include \$100,000 added to the program grant pool by the Senate to allow the Superintendent of Public Instruction to assume the operation and management of the North Dakota Leadership and Educational Administration Development Center.

In addition, the Conference Committee added a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of North Dakota Century Code Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool, the same as the Senate version.

- ⁸ Funding for adult education matching grants is increased to provide a total of \$3,100,000 from the general fund, \$1,010,411 less than the base budget and the same as the Senate version.
- ⁹ Funding for certain passthrough grants is increased as follows compared to the House version to provide a total of \$2,898,000 from the general fund for passthrough grants. The Senate provided \$2,750,000 for passthrough grants including \$2,100,000 for teacher mentoring and \$70,000 for the Pathfinders Parent project.

	Increase	Total
Teacher mentoring	\$50,000	\$2,050,000
Rural art outreach project	340,000	350,000
Global Bridges	100,000	200,000
Young entrepreneur education program	30,000	30,000
Total	\$520,000	\$2,630,000

- ¹⁰ One-time funding is provided from the student loan trust fund for the Governor's school program. Funding provided by the state for the Governor's school must be used for science, technology, engineering, and mathematics programs. Funding for this program was not included in the House or Senate version.

This amendment also:

- Amends the section related to funding provided from the foundation aid stabilization fund to provide for a \$25.1 million increase in one-time funding from the fund for integrated formula payments (\$25 million) and regional education association merger grants (\$100,000). The increase in funding from the foundation aid stabilization fund for integrated formula payments was not

included in the House or Senate version. The Senate version included \$100,000 of one-time funding from the foundation aid stabilization fund for regional education association merger grants not included in the House version.

- Adds a section identifying one-time funding provided from the student loan trust fund for the Governor's school programs. This section was not included in the House or Senate version.
- Adds a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool, the same as the Senate version.
- Amends the section related to the distribution of transportation grants to update reimbursement rates, the same as the Senate version.
- Amends the section related to the distribution of the program grant pool to adjust the total of the grant pool. The Conference Committee removed the free breakfast program from the grant pool (\$205,000) to provide a separate appropriation for the program, the same as the Senate version. The Conference Committee did not add \$100,000 to the grant pool for the operation and management of the North Dakota Leadership and Educational Administration Development Center included in the Senate version.
- Adds a section related to the distribution of one-time regional education association merger grants, the same as the Senate version.
- Adds a section related to the distribution of regional education association grants included in the integrated formula payments line item, the same as the Senate version.
- Amends the section related to the distribution of passthrough grants to provide certain grantees, as a condition of receiving the grant, are required to establish performance measures. The House and Senate versions both included the requirement to establish performance measures.
- Adds a section of legislative intent that school districts, in addition to mentoring services provided by the state, use federal Title II funding for teacher and administrator mentoring.
- Amends the section related to the Legislative Management study to adjust the service providers included in the study.

House Bill No. 1013 - State Library - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$4,019,839	\$138,933	\$4,158,772
Operating expenses	1,713,393	(109,318)	1,604,075
Grants	2,785,500	(676,472)	2,109,028
Total all funds	\$8,518,732	(\$646,857)	\$7,871,875
Less estimated income	2,438,751	(190,402)	2,248,349
General fund	\$6,079,981	(\$456,455)	\$5,623,526
FTE	29.75	(1.00)	28.75

Department 250 - State Library - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Health Insurance Increases ²	Restores Funding for Salaries and Wages ³	Reduces Funding for Salaries and Wages ⁴	Removes Vacant FTE Position ⁵	Adjusts Funding for Online Library Resources ⁶
Salaries and wages	134,027	85,861	161,341	(100,000)	(142,296)	
Operating expenses						(99,318)
Grants						
Total all funds	\$134,027	\$85,861	\$161,341	(\$100,000)	(\$142,296)	(\$99,318)
Less estimated income	96,788	10,889	0	0	0	82,921
General fund	\$37,239	\$74,972	\$161,341	(\$100,000)	(\$142,296)	(\$182,239)
FTE	0.00	0.00	0.00	0.00	(1.00)	0.00

	Reduces Funding for Equipment⁷	Reduces Funding for Aid to Public Libraries⁸	Removes Federal Funds from Grants⁹	Total House Changes
Salaries and wages				138,933
Operating expenses	(10,000)			(109,318)
Grants		(295,472)	(381,000)	(676,472)
Total all funds	(\$10,000)	(\$295,472)	(\$381,000)	(\$646,857)
Less estimated income	0	0	(381,000)	(190,402)
General fund	(\$10,000)	(\$295,472)	\$0	(\$456,455)
FTE	0.00	0.00	0.00	(1.00)

¹ Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

³ Funding for salaries and wages, reduced as part of the 2015-17 biennium budget reductions, is restored.

⁴ Salaries and wages are underfunded agencywide.

⁵ One vacant FTE education program administrator II position and related salaries and wages is removed.

⁶ Funding for online library resources is adjusted and reduced.

⁷ Operating expenses funding is reduced for equipment purchases.

⁸ Funding for aid to public libraries is reduced to provide \$1,737,528 from the general fund.

⁹ Federal funding in the grants line item is reduced because funds will be used for online library resources costs in the State Library's operating expenses line item.

This amendment also:

- Amends the section of the bill related to the distribution of aid to public libraries to provide no more than one-half is to be spent in the 1st year of the biennium.
- Adds a section identifying additional funding provided for health insurance increases.

House Bill No. 1013 - State Library - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,019,839	\$4,158,772	(\$6,014)	\$4,152,758
Operating expenses	1,713,393	1,604,075		1,604,075
Grants	2,785,500	2,109,028		2,109,028
Total all funds	\$8,518,732	\$7,871,875	(\$6,014)	\$7,865,861
Less estimated income	2,438,751	2,248,349	(789)	2,247,560
General fund	\$6,079,981	\$5,623,526	(\$5,225)	\$5,618,301
FTE	29.75	28.75	0.00	28.75

Department 250 - State Library - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases¹	Total Senate Changes
Salaries and wages	(6,014)	(6,014)
Operating expenses		
Grants		
Total all funds	(\$6,014)	(\$6,014)
Less estimated income	(789)	(789)
General fund	(\$5,225)	(\$5,225)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect this change.

House Bill No. 1013 - State Library - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,019,839	\$4,158,772	(\$6,014)	\$4,152,758	\$4,152,758	
Operating expenses	1,713,393	1,604,075		1,604,075	1,604,075	
Grants	2,785,500	2,109,028		2,109,028	2,109,028	
Total all funds	\$8,518,732	\$7,871,875	(\$6,014)	\$7,865,861	\$7,865,861	\$0
Less estimated income	2,438,751	2,248,349	(789)	2,247,560	2,247,560	0
General fund	\$6,079,981	\$5,623,526	(\$5,225)	\$5,618,301	\$5,618,301	\$0
FTE	29.75	28.75	0.00	28.75	28.75	0.00

Department 250 - State Library - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases¹	Total Conference Committee Changes
Salaries and wages	(6,014)	(6,014)
Operating expenses		
Grants		
Total all funds	(\$6,014)	(\$6,014)
Less estimated income	(789)	(789)
General fund	(\$5,225)	(\$5,225)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

House Bill No. 1013 - School for the Deaf - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$7,291,854	\$206,353	\$7,498,207
Operating expenses	1,925,163	51,380	1,976,543
Capital assets	227,174	664,504	891,678
Grants	186,900	(6,900)	180,000
Total all funds	\$9,631,091	\$915,337	\$10,546,428
Less estimated income	1,089,210	2,109,514	3,198,724
General fund	\$8,541,881	(\$1,194,177)	\$7,347,704
FTE	45.61	(1.00)	44.61

Department 252 - School for the Deaf - Detail of House Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Health Insurance Increases²	Removes 1 FTE Position³	Restores Funding for Salaries and Wages⁴	Adjusts Funding Source for Salaries and Wages⁵	Removes Funding for Teacher Composite⁶
Salaries and wages	(75,466)	130,536	(120,000)	422,476		(151,193)
Operating expenses						
Capital assets						
Grants						
Total all funds	(\$75,466)	\$130,536	(\$120,000)	\$422,476	\$0	(\$151,193)
Less estimated income	3,211	3,864	0	0	400,000	0
General fund	(\$78,677)	\$126,672	(\$120,000)	\$422,476	(\$400,000)	(\$151,193)
FTE	0.00	0.00	(1.00)	0.00	0.00	0.00

	Restores Funding for Operating Expenses⁷	Adjusts Funding Source for Operating Expenses⁸	Adjusts Funding for Extraordinary Repairs⁹	Adds One-time Funding for Capital Assets¹⁰	Adds One-time Funding for Master Facility Repairs¹¹	Reduces Funding for Interpreter Grants¹²
Salaries and wages						
Operating expenses	123,133	(71,753)				
Capital assets			(68,496)	58,000	675,000	
Grants						(6,900)
Total all funds	\$123,133	(\$71,753)	(\$68,496)	\$58,000	\$675,000	(\$6,900)
Less estimated income	123,133	762,628	83,678	58,000	675,000	0
General fund	\$0	(\$834,381)	(\$152,174)	\$0	\$0	(\$6,900)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	206,353
Operating expenses	51,380
Capital assets	664,504
Grants	(6,900)
Total all funds	\$915,337
Less estimated income	2,109,514
General fund	(\$1,194,177)
FTE	(1.00)

¹ Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

- ³ One FTE position and related salaries and wages is removed.
- ⁴ Funding for salaries and wages, reduced as part of the 2015-17 biennium budget reductions, is restored.
- ⁵ Funding for a portion of salaries and wages is changed to the School for the Deaf's special funds available from trust fund distributions, rents, and service revenue.
- ⁶ Funding for teacher composite pay increases is removed.
- ⁷ Funding for operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.
- ⁸ Funding for a portion of operating expenses is changed from the general fund to the School for the Deaf's special funds available from trust fund distributions, rents, and service revenue.
- ⁹ Funding for extraordinary repairs is reduced and changed from the general fund to the School for the Deaf's special funds available from trust fund distributions, rents, and service revenue.
- ¹⁰ One-time funding is added for the following capital assets:
- Fargo office interactive video network equipment - \$10,000;
 - Kitchen equipment - \$12,000;
 - Lawn tractor - \$16,000; and
 - Database software program - \$20,000.
- ¹¹ One-time funding from special funds is added for extraordinary repairs related to the School for the Deaf's master facility plan repairs.
- ¹² Funding for a grants program to assist institutions under the control of the State Board of Higher Education with the cost of interpreters and real-time captioning for students who are deaf or hearing impaired is reduced to provide a total of \$180,000 from the general fund.

This amendment also adds sections to:

- Create a new section to Chapter 25-07 to establish a special fund for the School for the Deaf.
- Identify additional funding provided for health insurance increases.

House Bill No. 1013 - School for the Deaf - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$7,291,854	\$7,498,207	\$90,542	\$7,588,749
Operating expenses	1,925,163	1,976,543	50,000	2,026,543
Capital assets	227,174	891,678		891,678
Grants	186,900	180,000		180,000
Total all funds	<u>\$9,631,091</u>	<u>\$10,546,428</u>	<u>\$140,542</u>	<u>\$10,686,970</u>
Less estimated income	<u>1,089,210</u>	<u>3,198,724</u>	<u>(280)</u>	<u>3,198,444</u>
General fund	\$8,541,881	\$7,347,704	\$140,822	\$7,488,526
FTE	45.61	44.61	1.00	45.61

Department 252 - School for the Deaf - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases¹	Restores 1 FTE Position²	Increases Funding for Operating Expenses³	Total Senate Changes
Salaries and wages	(9,458)	100,000		90,542

Operating expenses			50,000	50,000
Capital assets				
Grants				
Total all funds	(\$9,458)	\$100,000	\$50,000	\$140,542
Less estimated income	(280)	0	0	(280)
General fund	(\$9,178)	\$100,000	\$50,000	\$140,822
FTE	0.00	1.00	0.00	1.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect this change.

² One FTE position and related funding of \$100,000 is restored. The executive recommendation and House version removed 1 FTE position and related funding of \$120,000.

³ Funding for operating expenses is restored. The executive recommendation and House version reduced funding for operating expenses by \$100,000.

House Bill No. 1013 - School for the Deaf - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$7,291,854	\$7,498,207	\$90,542	\$7,588,749	\$7,588,749	
Operating expenses	1,925,163	1,976,543	50,000	2,026,543	2,026,543	
Capital assets	227,174	891,678		891,678	891,678	
Grants	186,900	180,000		180,000	180,000	
Total all funds	\$9,631,091	\$10,546,428	\$140,542	\$10,686,970	\$10,686,970	\$0
Less estimated income	1,089,210	3,198,724	(280)	3,198,444	3,198,444	0
General fund	\$8,541,881	\$7,347,704	\$140,822	\$7,488,526	\$7,488,526	\$0
FTE	45.61	44.61	1.00	45.61	45.61	0.00

Department 252 - School for the Deaf - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases ¹	Restores 1 FTE Position ²	Increases Funding for Operating Expenses ³	Total Conference Committee Changes
Salaries and wages	(9,458)	100,000		90,542
Operating expenses			50,000	50,000
Capital assets				
Grants				
Total all funds	(\$9,458)	\$100,000	\$50,000	\$140,542
Less estimated income	(280)	0	0	(280)
General fund	(\$9,178)	\$100,000	\$50,000	\$140,822
FTE	0.00	1.00	0.00	1.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

² One FTE position and related funding of \$100,000 is restored, the same as the Senate version. The executive recommendation and House version removed 1 FTE position and related funding of \$120,000.

³ Funding for operating expenses is restored, the same as the Senate version. The executive recommendation and House version reduced funding for operating expenses by \$100,000.

House Bill No. 1013 - Vision Services - School for the Blind - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$4,554,349	\$113,075	\$4,667,424
Operating expenses	739,169	4,037	743,206
Capital assets	24,454	150,238	174,692
Total all funds	\$5,317,972	\$267,350	\$5,585,322
Less estimated income	569,325	645,428	1,214,753
General fund	\$4,748,647	(\$378,078)	\$4,370,569
FTE	30.00	(1.50)	28.50

Department 253 - Vision Services - School for the Blind - Detail of House Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Health Insurance Increases²	Restores Funding for Salaries and Wages³	Removes a .5 FTE Position⁴	Removes 1 FTE Teacher Position⁵	Removes Funding for Teacher Composite⁶
Salaries and wages	191,598	91,584	105,800		(154,216)	(121,691)
Operating expenses						
Capital assets						
Total all funds	\$191,598	\$91,584	\$105,800	\$0	(\$154,216)	(\$121,691)
Less estimated income	16,450	76	0	0	0	0
General fund	\$175,148	\$91,508	\$105,800	\$0	(\$154,216)	(\$121,691)
FTE	0.00	0.00	0.00	(0.50)	(1.00)	0.00

	Adjusts Funding for Operating Expenses⁷	Adjusts Funding for Extraordinary Repairs⁸	Adds One-time Funding for Extraordinary Repairs⁹	Total House Changes
Salaries and wages				113,075
Operating expenses	4,037			4,037
Capital assets		14,738	135,500	150,238
Total all funds	\$4,037	\$14,738	\$135,500	\$267,350
Less estimated income	454,210	39,192	135,500	645,428
General fund	(\$450,173)	(\$24,454)	\$0	(\$378,078)
FTE	0.00	0.00	0.00	(1.50)

¹ Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

³ Funding for salaries and wages, reduced as part of the 2015-17 biennium budget reductions, is restored.

⁴ Removes a .50 FTE position. The related funding for this position was removed as part of the 2015-17 biennium budget reductions.

⁵ One FTE teacher position and related salaries and wages is removed.

⁶ Funding for teacher composite pay increases is removed.

⁷ Funding for a portion of operating expenses is changed from the general fund to the School for the Blind's special funds available from trust fund distributions, rents, contributions, and service revenue.

⁸ Base budget funding for extraordinary repairs is increased and changed from the general fund to the School for the Blind's special funds available from trust fund distributions, rents, contributions, and service revenue.

⁹ One-time funding from special funds is added for the following extraordinary repairs:

Replace water line from the building to the street	\$60,000
Carpet replacement and reception upgrade	30,000
Upgrade HVAC	27,000
Special assessments	10,000
Replace rooftop air unit in the east wing	8,500
Total	<u>\$135,500</u>

This amendment also adds sections to:

- Create a new section to Chapter 25-06 to establish a special fund for the School for the Blind.
- Identify additional funding provided for health insurance increases.

House Bill No. 1013 - Vision Services - School for the Blind - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,554,349	\$4,667,424	(\$6,429)	\$4,660,995
Operating expenses	739,169	743,206	30,000	773,206
Capital assets	24,454	174,692		174,692
Total all funds	<u>\$5,317,972</u>	<u>\$5,585,322</u>	<u>\$23,571</u>	<u>\$5,608,893</u>
Less estimated income	569,325	1,214,753	(6)	1,214,747
General fund	<u>\$4,748,647</u>	<u>\$4,370,569</u>	<u>\$23,577</u>	<u>\$4,394,146</u>
 FTE	 30.00	 28.50	 0.00	 28.50

Department 253 - Vision Services - School for the Blind - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Increases Funding for Operating Expenses ²	Total Senate Changes
Salaries and wages	(6,429)		(6,429)
Operating expenses		30,000	30,000
Capital assets			
Total all funds	<u>(\$6,429)</u>	<u>\$30,000</u>	<u>\$23,571</u>
Less estimated income	(6)	0	(6)
General fund	<u>(\$6,423)</u>	<u>\$30,000</u>	<u>\$23,577</u>
 FTE	 0.00	 0.00	 0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect this change.

² Funding for operating expenses is increased. The executive recommendation and House version did not include this increase.

House Bill No. 1013 - Vision Services - School for the Blind - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,554,349	\$4,667,424	(\$6,429)	\$4,660,995	\$4,660,995	
Operating expenses	739,169	743,206	30,000	773,206	773,206	
Capital assets	24,454	174,692		174,692	174,692	

Total all funds	\$5,317,972	\$5,585,322	\$23,571	\$5,608,893	\$5,608,893	\$0
Less estimated income	569,325	1,214,753	(6)	1,214,747	1,214,747	0
General fund	\$4,748,647	\$4,370,569	\$23,577	\$4,394,146	\$4,394,146	\$0
FTE	30.00	28.50	0.00	28.50	28.50	0.00

Department 253 - Vision Services - School for the Blind - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases¹	Increases Funding for Operating Expenses²	Total Conference Committee Changes
Salaries and wages	(6,429)		(6,429)
Operating expenses		30,000	30,000
Capital assets			
Total all funds	(\$6,429)	\$30,000	\$23,571
Less estimated income	(6)	0	(6)
General fund	(\$6,423)	\$30,000	\$23,577
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

² Funding for operating expenses is increased, the same as the Senate version. The executive recommendation and House version did not include this increase.