

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2324

2001 SENATE EDUCATION

SB 2324

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2324

Senate Education Committee

Conference Committee

Hearing Date 01-30-01

Tape Number	Side A	Side B	Meter #
1	x		29.0 - end
1		x	0 - 5.4
Committee Clerk Signature <i>Andrea Johnson</i>			

Minutes:CHAIRMAN FREBORG called the hearing on SB 2324.

Testimony in support of SB 2324:

SENATOR KELSH testified as the prime sponsor of the bill. He stated Section I of this bill sets up a core curriculum and Section II offers that the Legislative Council study the delivery of a core curriculum and the funding for its delivery. It does have a fiscal note of \$13.5 million. He asked that Section I of the bill be disregarded because it is restrictive. There should be some flexibility for the local districts in choosing the core curriculum since local dollars go into supporting it. Smaller districts pay the same as the large districts which sometimes is not easy. He further stated he feels the state should help, especially the small school districts. He does request that at least Section II remain so a study can be done on this issue. SENATOR COOK feels the fiscal note is the result of three subjects in the core curriculum as outlined in Section 1, philosophy, foreign language, and economics.

PATTY LEWIS, ND Farm Bureau, feels this bill addresses a top priority issue for the Farm Bureau's members and families. The concept of this bill is it allows for a Legislative Council study into the state funding of a core curriculum. One of the most obvious reasons for this legislation is to lower school district's reliance on property taxes for funding. Farm Bureau has long supported the 70% state funding level for education. This is a vehicle that would get closer to that. This bill would serve to equalize school funding and would free up local revenue for other areas such as voc/ed, advanced course offerings, etc. Also allows for local control and choice outside the curriculum established. SENATOR FREBORG stated that in this bill, the cost of implementing the core curriculum would fall upon the districts. Section II calls for the Legislative Council to study implementing core curriculum with total state funding.

BEV NIELSON, ND School Board Assn., supports the option of studying this as a way to pay for and have core curriculum. They would like to see a study so as not to lose the concept. SENATOR WANZEK asked if the aim of the bill is to have the state fund the core curriculum and then have the local districts pay any costs over and above that.

Testimony in opposition to SB 2324:

GREG GALLAGHER, Education Improvement Team Leader, DPI, testified in opposition to the bill. (see attached).

JOE WESTBY, NDEA, feels Section II should be first and Section I should be the result of Section II.

CHUCK DeREMÉR, Fargo Public Schools, doesn't like Section I. He does support Section II. He feels the question to be asked is "are kids learning" and "are they learning what they should". He wants to know how the core curriculum would be established and if there would be local control.

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There being no further testimony on SB 2324, the hearing was closed.

SENATOR KELSH moved the amendment to strike Section I from SB 2324. Seconded by

SENATOR WANZEK. Roll Call Vote: 7 YES. 0 NO. 0 Absent. Amendment Adopted.

SENATOR KELSH moved a DO PASS AS AMENDED. Seconded by SENATOR

O'CONNELL. Roll Call Vote: 7 YES. 0 NO. 0 Absent. Motion Carried.

Carrier: SENATOR KELSH

FISCAL NOTE

Requested by Legislative Council

02/02/2001

Bill/Resolution No.:

Amendment to: SB 2324

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Greg Gallagher	Agency:	Public Instruction
Phone Number:	328-1838	Date Prepared:	02/02/2001

FISCAL NOTE

Requested by Legislative Council

01/23/2001

Bill/Resolution No.: SB 2324

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$13,516,890	\$0	\$0	\$11,549,902

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2324 defines an elementary and secondary school core curriculum and provides for a legislative council study. The bill outlines at both the elementary and secondary level grade-specific subjects to be taught. Costs associated with core subject areas are generally grouped by (1) impacts on the major/minor law within North Dakota; (2) costs associated with curriculum development; and (3) costs associated with procuring curricular materials.

Curriculum costs at the elementary level are relatively minor since SB 2324 provides for essentially compatible areas of study, although emphasis and focus are redirected from the current law. Because teacher licensure limitations are not encountered and curricular impacts are relatively minor, there is little anticipated fiscal impact at the elementary level.

The fiscal impact at the secondary level is influenced by the need to assure qualified teachers with a major/minor preparation within any new subject areas, the higher costs of developing new subject areas, and the costs of purchasing appropriate textbooks. As such the program requirements at the secondary level carry more likelihood of a significant fiscal impact. For the purposes of developing this fiscal note, attention has been placed on the associated impacts at the secondary level.

I. New core subjects require assurances of properly licensed teachers.

North Dakota law requires teachers to teach in their area of major/minor training. SB 2324 requires schools, in order to be approved, to offer courses in economics, world languages, and philosophy/logic. These course offerings are now optional; SB 2324 makes them mandatory. Schools would need to staff teachers with sufficient skills to teach in these areas. It is assumed that not all schools can meet this requirement.

Of the 188 high schools in the state, it is assumed that only the top 15 high schools have the resources currently to offer the full extent of these courses. Therefore, 173 high schools would need to restructure their staffs to lessen the current optional course offerings and to realign them toward the subjects identified within SB 2324. Even with the need to offer economics, world languages, and philosophy, many schools could restructure their staffs to cover most of the new subjects; however, not all subjects, especially economics and philosophy could be covered easily with their current staffs.

It is assumed that the 173 high schools would need to hire an additional teacher to cover some or all of the newly required subjects. Assuming an average salary of \$25,000 plus approximately 25% benefits, a new teacher will cost approximately \$31,000 at each of the 173 high schools. This would amount to \$5,363,000 in the first year of the biennium and \$5,523,890 in the second year of the biennium, assuming a 3% increase in associated costs.

Therefore, the anticipated cost within the biennium for new teachers will total \$10,886,890. This would be a local expense.

II. New core subjects require additional curriculum development costs. If economics, world languages, and philosophy are identified as new subject areas, their curriculum would require development. Again, it is assumed that the top 15 high schools can absorb this activity into their current offerings without inordinate costs.

During the interim Education Finance Committee hearings on curriculum development, three local curriculum development specialists testified that it costs approximately \$5000 per subject area to develop a general curriculum across all grades. It is assumed here that at the high school level this development cost would be approximately 40% of that figure, or \$2000. If 173 high schools develop five subject units (four in philosophy and one in economics/world languages are anticipated to remain within their current forms), it would cost approximately \$10,000 per school to develop curriculum. Because these activities are development related and not sustained over time, these costs would be incurred in the first year of the biennium only.

Therefore, the anticipated cost within the biennium for curriculum development will total \$1,730,000. This would be a local expense.

III. New core subjects will require new textbooks.

It is assumed that in order to teach the new courses in economics, world languages, and philosophy, additional textbooks would be required. Estimating the impacts related to economics and philosophy throughout the four years of high school, philosophy will require four years of

textbooks for all students (36,000 students per year) and one year of economics (9,000 students per year). It is anticipated that the cost of supplying 45,000 total textbooks at \$20/text will total \$900,000. This cost would be incurred during the first year of the biennium only.

Therefore, the cost of supplying textbooks to meet the economics and philosophy requirements will total \$900,000. This would be a local expense.

IV. Summary of fiscal impacts.

The combined total impact during the 2001-03 biennium to define core subjects as outlined in SB 2324 will amount to the following:

- | | |
|----------------------------|--------------|
| 1. Salary and benefits: | \$10,886,890 |
| 2. Curriculum Development: | \$ 1,730,000 |
| 3. Textbooks: | \$ 900,000 |

Total: \$13,516,890

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Greg Gallagher	Agency:	Public Instruction
Phone Number:	328-1838	Date Prepared:	01/29/2001

Date: 1-30-01
Roll Call Vote #: 2324

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

Senate Education Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken amendment adopted

Motion Made By Sen. Kelsh Seconded By Sen. Wanzek

Senators	Yes	No	Senators	Yes	No
Senator Freborg - Chairman	✓		Senator Christenson	✓	
Senator Flakoll - Vice Chairman	✓		Senator Kelsh	✓	
Senator Cook	✓		Senator O'Connell	✓	
Senator Wanzek	✓				

Total (Yes) 7 No 0

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: remove section 1 of bill thus eliminating fiscal note

Date: 1-30-01
 Roll Call Vote #: 2324

**2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO.**

Senate Education Committee

Subcommittee on _____
 or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DP as Amended

Motion Made By Sen. Kelsh Seconded By Sen. O'Connell

Senators	Yes	No	Senators	Yes	No
Senator Freborg - Chairman	✓		Senator Christenson	✓	
Senator Flakoll - Vice Chairman	✓		Senator Kelsh	✓	
Senator Cook	✓		Senator O'Connell	✓	
Senator Wanzek	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Sen Kelsh

If the vote is on an amendment, briefly indicate intent:

