

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2360

2001 SENATE EDUCATION

SB 2360

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2360

Senate Education Committee

Conference Committee

Hearing Date 01-29-01

Tape Number	Side A	Side B	Meter #
1		x	32.7 - 50.8
2 (01-30-0)	x		18.5 - 48.8
1 (02-06-01)		x	27.6 - 33.3
Committee Clerk Signature <i>Andrea Johnson</i>			

Minutes: VICE-CHAIRMAN FLAKOLL called the hearing on SB 2360.

**Testimony in support of SB 2360:**

SENATOR JUDY LEE, Dist 13, spoke in support of SB 2360. She stated it allows school districts to levy for the **actual cost** for all grades ( not just grades 7 - 12) for the services that are being provided. (tuition and transportation). There are expenses for the younger students as well, and this bill was introduced at the request of the Supt. And Business Mgr. Of West Fargo. With the number of students increasing, the demand for services also increases. The West Fargo people were not available for comment, but sent testimony later to be entered into the record. (see attached). In reference to HB 1045 the committee stated it is the education rewrite bill. DEAN BARD, ND Small Organized Schools, testified this will benefit some small schools. There are still some tuition charges being levied among school districts for elementary students with no way to recover those costs. This would be helpful in those few instances to recoup some

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Senate Education Committee

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money. This levy would be over and above the general mill levy cap. In explaining why tuition is being paid, MR. BARD stated there are some districts that don't permit open-enrollment.

**Testimony In opposition to SB 2360:**

WADE MOSER, ND Stockmen's Assn., has a concern over the possible rise in property taxes.

He feels if property taxes will increase, it should go before the people of the district for a vote.

**There being no further testimony, the hearing on SB 2360 was closed.**

01-30-01, Tape 2, Side A, 18.5 - 48.8

Testimony in support of SB 2360 was distributed from MARK P. LEMER, Business Mgr., West Fargo Public Schools. Discussion on the bill to allow school districts to levy for elementary tuition expenditures. This does include open-enrolled students and the school would be allowed to levy for costs such as transportation and meals. If tuition would go along with an open-enrolled student, how would this impact the local district. Would they have to raise the mill levy by resolution of the board. Committee discussion. Is this just a problem with West Fargo schools or are there other school districts this would affect. SENATOR FREBORG suggested the committee have TOM DECKER, DPI, explain which children this bill will impact. SENATOR FLAKOLL stated he just is not comfortable with there being no cap on the mills that can be levied and that this would now cover meals and transportation. MR DECKER stated the levy described in this bill is the high school tuition levey levied by board discretion to generate enough money to pay required amounts of tuition, at this point, for 7 - 12 grade students. SENATOR O'CONNELL stated this legislation is basically for special needs kids. He does however have a problem with a mill levy being set by board resolution. SENATOR

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FREBORG explained this can be done now, but with this bill they want to include K - 6. There was more discussion. SENATOR FREBORG does not believe this is a general fund levy but a special levy for tuition purposes. The committee will hold this bill until further information can be obtained.

**Hearing closed.**

**02-06-01, Tape 1, Side B, 27.6 - 33.3**

SENATOR FREBORG, just to get discussion started, stated he has a little problem with allowing levying for additional mills by resolution of the board. SENATOR COOK also had the same reservation, but when looking at this particular issue, he sees a benefit with having citizens aware of the problems when others have to go to the board and explain why they have to pay the mill levy because they have costs as described in the written testimony of Mark Lemer. This bill also includes transportaion.

**SENATOR KELSH moved a DO NOT PASS. Seconded by SENATOR COOK.**

**Roll Call Vote: 7 YES. 0 NO. 0 Absent.**

**Carrier: SENATOR COOK**

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/24/2001

Bill/Resolution No. SB 2360

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
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$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.*

This bill allows a school district to levy by Board discretion an amount necessary to pay tuition for all resident students attending school in another district.

**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.*

The effect is to allow districts to increase their local levies to generate revenue to pay K-6 tuition (7-12 is allowed under existing state law).

**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.*

<b>Name:</b>	Jerry Coleman	<b>Agency:</b>	Public Instruction
<b>Phone Number:</b>	328-4051	<b>Date Prepared:</b>	01/25/2001

# FISCAL NOTE

Requested by Legislative Council  
01/25/2001

Bill/Resolution No.: SB 2363

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
<b>Revenues</b>						
<b>Expenditures</b>						
<b>Appropriations</b>						

**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

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

No fiscal impact.

**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.*

<b>Name:</b>	Pam Sharp	<b>Agency:</b>	OMB
<b>Phone Number:</b>	328-4606	<b>Date Prepared:</b>	01/25/2001





**REPORT OF STANDING COMMITTEE (410)**  
February 6, 2001 1:39 p.m.

Module No: SR-21-2498  
Carrier: Cook  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2360: Education Committee (Sen. Freborg, Chairman) recommends DO NOT PASS**  
(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2360 was placed on the  
Eleventh order on the calendar.

2001 TESTIMONY

SB 2360

1-30-01



"Mark Lemer"  
<LEMER@west-fargo.k12.nd.us>

To: <jlee@state.nd.us>  
cc: "Charles Cheney" <CHENEY@west-fargo.k12.nd.us>  
Subject: Tuition Expenditures

01/22/01 05:10 PM

SB ~~SB~~ 2360

Senator Lee:

Thank you for considering the introduction of a bill to allow school districts to levy for elementary tuition expenditures.

Here are some examples of the tuition charges that were paid by the West Fargo School District during the 1999-2000 school year.

Anne Carlsen Center: 2 elementary students, 2 high school students  
Tuition paid: \$177,589.58

Fargo Public Schools (including Prairie Psychiatric placements): 14 elementary students, 5 middle school students, 26 high school students  
Tuition paid: \$115,070.75

These are the 2 largest amounts paid for tuition. We make payments to many other facilities and school district.

The majority of our tuition charges are the result of foster care or other interventions.

Our total tuition expenditures for the 1999-2000 school year were \$470,221.80. The amount applicable to grades 7-12 was \$357,260.26. The amount applicable to grades 1-6 was \$112,961.54.

We would like to have the definition of the tuition levy expanded to include the \$112,961.54.

Thank you for your assistance in this matter.

Sincerely,

Mark P. Lemer  
Business Manager  
West Fargo Public Schools  
Telephone: 701-356-2002  
Fax: 701-356-2009