

HOUSE BILL NO. 1013

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 public instruction, the state library, the school for the deaf, and North Dakota vision services -
3 school for the blind; to provide for the distribution of funding for gifted and talented programs
4 and other grants; to amend and reenact sections 15.1-02-02 and 15.1-18.1-02 of the North
5 Dakota Century Code, relating to the salary of the superintendent of public instruction and the
6 national board certification program; to provide an effective date; and to declare an emergency.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
9 as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
11 other income, to the department of public instruction, the school for the deaf, North Dakota
12 vision services - school for the blind, and the state library for the purpose of defraying the
13 expenses of those agencies, for the biennium beginning July 1, 2013, and ending June 30,
14 2015, as follows:

Subdivision 1.

DEPARTMENT OF PUBLIC INSTRUCTION

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
19 Salaries and wages	\$14,409,300	\$2,202,038	\$16,611,338
20 Operating expenses	29,099,187	1,050,615	30,149,802
21 Grants - state school aid	918,459,478	(918,459,478)	0
22 Integrated formula payments	0	1,787,400,000	1,787,400,000
23 Grants - special education contracts	16,000,000	500,000	16,500,000
24 Grants - transportation	48,500,000	5,000,000	53,500,000

Sixty-third
Legislative Assembly

1	Grants - other grants	304,609,393	(31,199,238)	273,410,155
2	Grants - mill levy reduction	341,790,000	(341,790,000)	0
3	Rapid enrollment grants	5,000,000	12,000,000	17,000,000
4	Transportation efficiency	30,000	0	30,000
5	National board certification	<u>185,000</u>	<u>(65,000)</u>	<u>120,000</u>
6	Total all funds	\$1,678,082,358	\$516,638,937	\$2,194,721,295
7	Less estimated income	<u>434,485,707</u>	<u>716,925,726</u>	<u>1,151,411,433</u>
8	Total general fund	\$1,243,596,651	(\$200,286,789)	\$1,043,309,862
9	Full-time equivalent positions	99.75	0.00	99.75

10 Subdivision 2.

11 STATE LIBRARY

12			Adjustments or	
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Salaries and wages	\$3,450,359	\$482,347	\$3,932,706
15	Operating expenses	1,695,726	200,000	1,895,726
16	Grants	<u>2,252,500</u>	<u>541,500</u>	<u>2,794,000</u>
17	Total all funds	\$7,398,585	\$1,223,847	\$8,622,432
18	Less estimated income	<u>2,134,610</u>	<u>266,237</u>	<u>2,400,847</u>
19	Total general fund	\$5,263,975	\$957,610	\$6,221,585
20	Full-time equivalent positions	29.75	0.00	29.75

21 Subdivision 3.

22 SCHOOL FOR THE DEAF

23			Adjustments or	
24		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
25	Salaries and wages	\$5,932,638	\$1,112,205	\$7,044,843
26	Operating expenses	1,633,911	274,883	1,908,794
27	Capital assets	41,700	1,152,321	1,194,021
28	Grants	<u>200,000</u>	<u>0</u>	<u>200,000</u>
29	Total all funds	\$7,808,249	\$2,539,409	\$10,347,658
30	Less estimated income	<u>1,193,277</u>	<u>1,382,391</u>	<u>2,575,668</u>

Sixty-third
Legislative Assembly

1	Total general fund	\$6,614,972	\$1,157,018	\$7,771,990
2	Full-time equivalent positions	43.94	0.67	44.61
3	Subdivision 4.			
4	NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND			
5			Adjustments or	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Salaries and wages	\$3,815,825	\$636,190	\$4,452,015
8	Operating expenses	707,006	13,800	720,806
9	Capital assets	<u>39,500</u>	<u>522,900</u>	<u>562,400</u>
10	Total all funds	\$4,562,331	\$1,172,890	\$5,735,221
11	Less estimated income	<u>835,091</u>	<u>24,264</u>	<u>859,355</u>
12	Total general fund	\$3,727,240	\$1,148,626	\$4,875,866
13	Full-time equivalent positions	29.50	0.00	29.50

14 Subdivision 5.

15 BILL TOTAL

16			Adjustments or	
17		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18	Grand total general fund	\$1,259,202,838	(\$197,023,535)	\$1,062,179,303
19	Grand total special funds	<u>438,648,685</u>	<u>718,598,618</u>	<u>1,157,247,303</u>
20	Grand total all funds	\$1,697,851,523	\$521,575,083	\$2,219,426,606

21 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

22 **SIXTY-FOURTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time
 23 funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and
 24 the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

25	<u>One-Time Funding Description</u>	<u>2011-13</u>	<u>2013-15</u>
26	Department of public instruction		
27	IT application rewrite and maintenance	\$384,000	\$0
28	Education standards and practices board database	200,000	0
29	Education jobs fund	<u>21,517,716</u>	<u>0</u>
30	Total department of public instruction - all funds	\$22,101,716	\$0
31	Total department of public instruction - estimated income	<u>21,717,716</u>	<u>0</u>

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Legislative Assembly

1	Total department of public instruction - general fund	\$384,000	\$0
2	State library		
3	Library repair and maintenance grants	<u>\$0</u>	<u>\$275,000</u>
4	Total state library - all funds	\$0	\$275,000
5	Total state library - estimated income	<u>0</u>	<u>0</u>
6	Total state library - general fund	\$0	\$275,000
7	School for the deaf		
8	Extraordinary repairs	<u>\$998,530</u>	<u>\$1,002,259</u>
9	Total school for the deaf - all funds	\$998,530	\$1,002,259
10	Total school for the deaf - estimated income	<u>894,730</u>	<u>1,002,259</u>
11	Total school for the deaf - general fund	\$103,800	\$0
12	North Dakota vision services - school for the blind		
13	Equipment	\$25,500	\$20,200
14	Elevator installation	0	241,500
15	Window replacements	0	189,000
16	Extraordinary repairs	0	90,129
17	Facility master plan	20,000	0
18	Instructional equipment	<u>24,500</u>	<u>0</u>
19	Total school for the blind - all funds	\$70,000	\$540,829
20	Total school for the blind - estimated income	<u>0</u>	<u>110,329</u>
21	Total school for the blind - general fund	\$70,000	\$430,500
22	Grand total - all funds	\$23,170,246	\$1,818,088
23	Grand total - estimated income	<u>22,612,446</u>	<u>1,112,588</u>
24	Grand total - general fund	\$557,800	\$705,500

25 The 2013-15 one-time funding amounts are not a part of the entity's base budget for the
 26 2015-17 biennium. The department of public instruction, state library, school for the deaf, and
 27 North Dakota vision services - school for the blind shall report to the appropriations committees
 28 of the sixty-fourth legislative assembly on the use of this one-time funding for the biennium
 29 beginning July 1, 2013, and ending June 30, 2015.

30 **SECTION 3. APPROPRIATION.** There is appropriated from special funds derived from
 31 federal funds the sum of \$25,000,000, or so much of the sum as may be necessary, to the

1 superintendent of public instruction for grants for the period beginning with the effective date of
2 this Act and ending June 30, 2013.

3 **SECTION 4. APPROPRIATION - TUITION APPORTIONMENT.** The sum of \$140,326,000,
4 included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is
5 from the state tuition fund in the state treasury. Any additional amount in the state tuition fund
6 that becomes available for distribution to public schools is appropriated to the department of
7 public instruction for that purpose for the biennium beginning July 1, 2013, and ending June 30,
8 2015.

9 **SECTION 5. INTEGRATED FORMULA PAYMENTS - FUNDING FROM PROPERTY TAX**
10 **RELIEF FUND.** The integrated formula payments line item contained in subdivision 1 of
11 section 1 of this Act include \$714,173,838 from the property tax relief sustainability fund which
12 is appropriated to the department of public instruction for the purpose of providing integrated
13 formula payments to school districts during the biennium beginning July 1, 2013, and ending
14 June 30, 2015.

15 **SECTION 6. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION**
16 **CONTRACTS EXPENDITURE AUTHORITY.** The superintendent of public instruction may
17 expend funds included in the integrated formula payments and grants - special education
18 contracts line items in subdivision 1 of section 1 of this Act in payment of grants for educational
19 services that were due in the 2011-13 biennium but which were not filed, claimed, or properly
20 supported by the education provider until after June 30, 2013.

21 **SECTION 7. GIFTED AND TALENTED PROGRAM - MEDICAID MATCHING FUNDING -**
22 **DISTRIBUTION.**

- 23 1. The sum of \$800,000, included in the integrated formula payments line item in
24 subdivision 1 of section 1 of this Act, must be distributed to reimburse school districts
25 or special education units for gifted and talented programs upon the submission of an
26 application that is approved in accordance with guidelines adopted by the
27 superintendent of public instruction. The superintendent of public instruction shall
28 encourage cooperative efforts for gifted and talented programs among school districts
29 and special education units.
- 30 2. State school aid payments for special education must be reduced by the amount of
31 matching funds required to be paid by school districts or special education units for

1 students participating in the medicaid program. Special education funds equal to the
2 amount of the matching funds required to be paid by the school district or special
3 education unit must be paid by the superintendent of public instruction to the
4 department of human services on behalf of the school district or unit.

5 **SECTION 8. REGIONAL EDUCATION ASSOCIATIONS - GRANTS.** During the 2013-15
6 biennium, the superintendent of public instruction shall expend up to \$800,000 from the
7 integrated formula payments line item in subdivision 1 of section 1 of this Act for the purpose of
8 providing an annual grant to each eligible regional education association in order to assist each
9 association with the cost of compensating a coordinator.

- 10 1. In order to receive a grant under this section, each regional education association
11 must:
- 12 a. Enter a contract with an individual to serve as a coordinator, on a full-time or a
13 part-time basis, for a duration of at least twelve months; and
14 b. Provide from other revenue sources at least thirty percent of the total
15 compensation payable to the coordinator.
- 16 2. The maximum grant payable to a regional education association under this section
17 during each year of the biennium is the lesser of \$50,000 or seventy percent of the
18 total compensation payable to the coordinator.

19 **SECTION 9. CONTINUING EDUCATION GRANTS - FUNDING - DISTRIBUTION.** The
20 sum of \$150,000, or so much of the sum as may be necessary, included in the grants - other
21 grants line item in subdivision 1 of section 1 of this Act is provided for continuing education
22 grants, for the biennium beginning July 1, 2013, and ending June 30, 2015.

- 23 1. The superintendent of public instruction shall award grants in amounts up to \$1,200 to
24 eligible recipients in chronological order, based on the date of an individual's
25 application. An eligible recipient must:
- 26 a. (1) Be licensed to teach by the education standards and practices board;
27 (2) Have taught in this state during each of the last three school years; and
28 (3) Be enrolled at an institution of higher education in this state in either a
29 master of education program in educational leadership or a program leading
30 to a specialist diploma in educational leadership;

- 1 b. Be pursuing the requirements for a certificate in career development facilitation;
2 or
3 c. Be pursuing a school counselor credential.
- 4 2. If any of the amount appropriated for this purpose remains after the superintendent of
5 public instruction has awarded grants to all eligible recipients, the superintendent shall
6 distribute that amount as an additional per student payment on a prorated basis,
7 according to the latest available average daily membership of each school district.

8 **SECTION 10. INDIRECT COST ALLOCATION.** Notwithstanding section 54-44.1-15, the
9 department of public instruction may deposit indirect cost recoveries in its operating account.

10 **SECTION 11. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in
11 subdivision 2 of section 1 of this Act includes \$1,766,500 for aid to public libraries, of which no
12 more than one-half is to be expended during the fiscal year ending June 30, 2014.

13 **SECTION 12. STATE LIBRARY - LIBRARY RENOVATION AND REPAIR GRANTS -**
14 **EXEMPTION.** The grants line item contained in subdivision 2 of section 1 of this Act includes
15 \$275,000 from the general fund for grants to public libraries for renovation and repair projects.
16 Grant procedures and award criteria may be developed by the state library and may include
17 matching requirements. Any portion of the \$275,000 not spent as of June 30, 2015, is exempt
18 from the provisions of section 54-44.1-11 and may be continued for the purposes of this grant
19 program.

20 **SECTION 13. FEES DEPOSITED IN NORTH DAKOTA VISION SERVICES - SCHOOL**
21 **FOR THE BLIND OPERATING FUND.** Any moneys included in the estimated income line item
22 in subdivision 4 of section 1 of this Act, collected for subscription fees or braille fees, must be
23 deposited in the North Dakota vision services - school for the blind operating fund in the state
24 treasury and may be spent subject to appropriation by the legislative assembly.

25 **SECTION 14. SCHOOL FOR THE DEAF - HIGHER EDUCATION INTERPRETER GRANT**
26 **PROGRAM.** The grants line item contained in subdivision 3 of section 1 of this Act is for the
27 purpose of providing grants to assist institutions under the control of the state board of higher
28 education with the cost of interpreters and real-time captioning for students who are deaf or
29 hard of hearing, for the biennium beginning July 1, 2013, and ending June 30, 2015. Moneys
30 appropriated for this program are not subject to section 54-44.1-11. Funds shall be distributed
31 pursuant to the provisions of this section:

- 1 1. The school for the deaf shall develop a formula to determine the grant amount for
2 which an institution is eligible. The formula must be based on a uniform hourly
3 reimbursement.
- 4 2. To obtain a grant under this section, an institution shall submit to the school for the
5 deaf, at the time and in the manner directed by the school, invoices showing the
6 amount expended for interpreters and real-time captioning for students who are deaf
7 or hard of hearing.
- 8 3. The school for the deaf may not distribute more than fifty percent of the amount
9 appropriated during the first year of the biennium.
- 10 4. If any grant moneys remain undistributed at the end of the biennium, the school for the
11 deaf shall provide additional prorated grants to institutions that incurred, during the
12 biennium, hourly expenses in excess of the formula reimbursement level.
- 13 5. At the request of an institution under the control of the state board of higher education,
14 the school for the deaf shall consult with the institution and provide advice regarding
15 the provision of services most appropriate to meet a student's needs.

16 **SECTION 15. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **15.1-02-02. Salary.**

19 The annual salary of the superintendent of public instruction is one hundred ~~twoten~~
20 thousand ~~eightone~~ hundred ~~sixty-eightninety-two~~ dollars through June 30, ~~2012~~2014, and one
21 hundred ~~fivefourteen~~ thousand ~~ninesix~~ hundred ~~fifty-four~~ dollars thereafter.

22 **SECTION 16. AMENDMENT.** Section 15.1-18.1-02 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15.1-18.1-02. National board certification program - Recertification - Board duties.**

- 25 1. The board shall:
 - 26 a. Inform teachers of the national board certification program and the scholarships
27 and services the national board provides to teachers seeking certification.
 - 28 b. Collect and review in the order received scholarship applications from individuals
29 who are licensed to teach by the board or approved to teach by the board.
 - 30 c. (1) Approve no more than seventeen applications per year under this
31 subsection;

- 1 (2) During each year of the biennium, reserve three of the available
2 scholarships under this subsection until October first for individuals teaching
3 at low-performing schools. At that time, the three slots, if not filled, become
4 available to all other applicants;
- 5 (3) Require the recipient for a scholarship under this subsection to serve during
6 the school year as a full-time classroom teacher in a public or nonpublic
7 school in this state; and
- 8 (4) If available, require the recipient for a scholarship under this subsection to
9 participate in mentoring programs developed and implemented in the
10 employing school or school district.
- 11 d. Ensure that all scholarship recipients under this subsection receive adequate
12 information regarding the level of commitment required to acquire certification.
- 13 2. The board shall collect and review in the order received scholarship applications for
14 national board recertification from individuals who are licensed to teach by the board
15 or approved to teach by the board and:
- 16 a. Approve no more than three scholarship applications per year under this
17 subsection;
- 18 b. Require each recipient for a scholarship under this subsection to serve during the
19 school year as a full-time classroom teacher in a public or nonpublic school in
20 this state; and
- 21 c. If available, require each recipient for a scholarship under this subsection to
22 participate in mentoring programs developed and implemented in the employing
23 school or school district.
- 24 3. If any individual who receives a scholarship under this section does not complete the
25 certification process within the time allotted by the board, the individual must
26 reimburse the state an amount equal to one-half of the amount awarded to the
27 individual as a scholarship.
- 28 4. ~~The board shall pay to any individual who received national board certification before~~
29 ~~July 1, 2007, one thousand dollars for each year the individual has maintained and~~
30 ~~continues to maintain national board certification, provided the individual continues to~~

1 ~~be employed by a school district in this state. An individual may not receive more than~~
2 ~~four thousand dollars under this subsection.~~

3 ~~5.~~ a. At the conclusion of each school year after an individual receives national board
4 certification, the board shall pay to an individual an additional one thousand
5 dollars for the life of the national board certificate if:

6 ~~(1)~~a. The individual was employed during the school year as a full-time classroom
7 teacher by a school district in this state; and

8 ~~(2)~~b. The individual participated in any efforts of the employing school district to
9 develop and implement teacher mentoring programs.

10 b. ~~The payment provided for in this subsection is available beginning with the~~
11 ~~2007-08 school year.~~

12 ~~6.5.~~ A contract negotiated under chapter 15.1-16 may not preclude or limit the ability of a
13 school district or any other entity, public or private, from providing any remuneration to
14 a teacher who has obtained national board certification. Any remuneration received by
15 a teacher as a consequence of having obtained national board certification is in
16 addition to any other compensation otherwise payable as a result of any contract
17 negotiated under chapter 15.1-16.

18 **SECTION 17. EFFECTIVE DATE.** Section 16 of this Act becomes effective July 1, 2015.

19 **SECTION 18. EMERGENCY.** Section 3 of this Act is declared to be an emergency
20 measure.