

Introduced by

Representatives Brandenburg, Headland, Pollert

Senators Dotzenrod, Erbele, Klein, Luick, Wanzek

1 A BILL for an Act to amend and reenact section 15.1-27-04.1 of the North Dakota Century
2 Code, relating to the determination of state aid for small districts; to provide an effective date;
3 and to declare an emergency.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT. Section 15.1-27-04.1 of the North Dakota Century Code is**
6 **amended and reenacted as follows:**

7 **15.1-27-04.1. (~~Effective through June 30, 2015~~) Baseline funding - Establishment -**
8 **Determination of state aid.**

- 9 1. In order to determine the amount of state aid payable to each district, the
10 superintendent of public instruction shall establish each district's baseline funding. A
11 district's baseline funding consists of:
- 12 a. All state aid received by the district in accordance with chapter 15.1-27 during the
13 2012-13 school year;
 - 14 b. The district's 2012-13 mill levy reduction grant, as determined in accordance with
15 chapter 57-64, as it existed on June 30, 2013;
 - 16 c. An amount equal to that raised by the district's 2012 general fund levy or that
17 raised by one hundred ten mills of the district's 2012 general fund levy, whichever
18 is less;
 - 19 d. An amount equal to that raised by the district's 2012 long-distance learning and
20 educational technology levy;
 - 21 e. An amount equal to that raised by the district's 2012 alternative education
22 program levy; and
 - 23 f. An amount equal to:

- 1 (1) Seventy-five percent of all revenue received by the school district and
2 reported under code 2000 of the North Dakota school district financial
3 accounting and reporting manual, as developed by the superintendent of
4 public instruction in accordance with section 15.1-02-08;
- 5 (2) Seventy-five percent of all mineral revenue received by the school district
6 through direct allocation from the state treasurer and not reported under
7 code 2000 of the North Dakota school district financial accounting and
8 reporting manual, as developed by the superintendent of public instruction
9 in accordance with section 15.1-02-08;
- 10 (3) Seventy-five percent of all tuition received by the school district and
11 reported under code 1300 of the North Dakota school district financial
12 accounting and reporting manual, as developed by the superintendent of
13 public instruction in accordance with section 15.1-02-08, with the exception
14 of revenue received specifically for the operation of an educational program
15 provided at a residential treatment facility and tuition received for the
16 provision of an adult farm management program;
- 17 (4) Seventy-five percent of all revenue received by the school district from
18 payments in lieu of taxes on the distribution and transmission of electric
19 power;
- 20 (5) Seventy-five percent of all revenue received by the school district from
21 payments in lieu of taxes on electricity generated from sources other than
22 coal;
- 23 (6) All revenue received by the school district from mobile home taxes;
- 24 (7) Seventy-five percent of all revenue received by the school district from the
25 leasing of land acquired by the United States for which compensation is
26 allocated to the state under 33 U.S.C. 701(c)(3);
- 27 (8) All telecommunications tax revenue received by the school district; and
- 28 (9) All revenue received by the school district from payments in lieu of taxes
29 and state reimbursement of the homestead credit and disabled veterans
30 credit.

- 1 2. The superintendent shall divide the district's total baseline funding by the district's
2 2012-13 weighted student units in order to determine the district's baseline funding per
3 weighted student unit.
- 4 3. ~~In 2013-14, the superintendent shall multiply the district's weighted student units~~
5 ~~by eight thousand eight hundred ten dollars.~~
- 6 (1) The superintendent shall adjust the product to ensure that the product is at
7 least equal to the greater of:
- 8 (a) One hundred two percent of the district's baseline funding per
9 weighted student unit, ~~as established in subsection 2, multiplied by~~
10 the district's 2013-14 weighted student units; or
- 11 (b) One hundred percent of the district's baseline funding ~~as established~~
12 in subsection 1.
- 13 (2) The superintendent shall also adjust the product to ensure that the product
14 does not exceed one hundred ten percent of the district's baseline funding
15 per weighted student unit multiplied by the district's 2013-14 weighted
16 student units, ~~as established in subsection 2.~~
- 17 b. ~~In 2014-15, the superintendent shall multiply the district's weighted student units~~
18 ~~by nine thousand ninety-two dollars.~~
- 19 (1) The superintendent shall adjust the product to ensure that the product is at
20 least equal to the greater of:
- 21 (a) One hundred four percent of the district's baseline funding per
22 weighted student unit, ~~as established in subsection 2, multiplied by~~
23 the district's 2014-15 weighted student units; or
- 24 (b) One hundred percent of the district's baseline funding ~~as established~~
25 in subsection 1.
- 26 (2) The superintendent shall also adjust the product to ensure that the product
27 does not exceed one hundred twenty percent of the district's baseline
28 funding per weighted student unit, ~~as established in subsection 2, multiplied~~
29 ~~by the district's 2014-15 weighted student units.~~
- 30 3. In 2015-16, the superintendent shall multiply the district's weighted student units
31 by nine thousand four hundred eighty-two dollars.

- 1 (1) The superintendent shall adjust the product to ensure that the product is at
2 least equal to the greater of:
3 (a) One hundred six percent of the district's baseline funding per
4 weighted student unit, as established in subsection 2, multiplied by
5 the district's 2015-16 weighted student units; or
6 (b) One hundred percent of the district's baseline funding, as established
7 in subsection 1.
8 (2) The superintendent shall also adjust the product to ensure that the product
9 does not exceed one hundred thirty percent of the district's baseline funding
10 per weighted student unit, as established in subsection 2, multiplied by the
11 district's 2015-16 weighted student units.
12 (3) Notwithstanding any adjustments required by this subdivision, if a school
13 district has fewer than three hundred students in average daily membership,
14 the superintendent shall ensure that the product is not less than the district's
15 weighted student units multiplied by eight thousand five hundred thirty-four
16 dollars.
17 b. In 2016-17, the superintendent shall multiply the district's weighted student units
18 by nine thousand seven hundred sixty-six dollars.
19 (1) The superintendent shall adjust the product to ensure that the product is at
20 least equal to the greater of:
21 (a) One hundred eight percent of the district's baseline funding per
22 weighted student unit, as established in subsection 2, multiplied by
23 the district's 2016-17 weighted student units; or
24 (b) One hundred percent of the district's baseline funding, as established
25 in subsection 1.
26 (2) The superintendent shall also adjust the product to ensure that the product
27 does not exceed one hundred forty percent of the district's baseline funding
28 per weighted student unit, as established in subsection 2, multiplied by the
29 district's 2015-16 weighted student units.
30 (3) Notwithstanding any adjustments required by this subdivision, if a school
31 district has fewer than three hundred students in average daily membership,

1 the superintendent shall ensure that the product is not less than the district's
2 weighted student units multiplied by eight thousand seven hundred
3 eighty-nine dollars.

4 4. After determining the product in accordance with subsection 3, the superintendent of
5 public instruction shall:

6 a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the
7 school district, provided that ~~after 2013~~, the amount in dollars subtracted for
8 purposes of this subdivision may not exceed the previous year's amount in
9 dollars subtracted for purposes of this subdivision by more than twelve percent;
10 and

11 b. Subtract an amount equal to seventy-five percent of all revenues listed in
12 paragraphs 1 through 5, and 7 of subdivision f of subsection 1 and one hundred
13 percent of all revenues listed in paragraphs 6, 8, and 9 of subdivision f of
14 subsection 1.

15 5. The amount remaining after the computation required under subsection 4 is the
16 amount of state aid to which a school district is entitled, subject to any other statutory
17 requirements or limitations.

18 **SECTION 2. EFFECTIVE DATE.** This Act becomes effective on July 1, 2015.

19 **SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.