

Introduced by

Senators Rust, Bekkedahl

Representatives B. Anderson, Hatlestad, Richter, Steiner

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 state foundation aid payments to school districts.

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

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

6 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid.**

7 1. To determine the amount of state aid payable to each district, the superintendent of  
8 public instruction shall establish each district's baseline funding. A district's baseline  
9 funding consists of:

- 10 a. All state aid received by the district in accordance with chapter 15.1-27 during the  
11 2012-13 school year;
- 12 b. The district's 2012-13 mill levy reduction grant, as determined in accordance with  
13 chapter 57-64, as it existed on June 30, 2013;
- 14 c. An amount equal to that raised by the district's 2012 general fund levy or that  
15 raised by one hundred ten mills of the district's 2012 general fund levy, whichever  
16 is less;
- 17 d. An amount equal to that raised by the district's 2012 long-distance learning and  
18 educational technology levy;
- 19 e. An amount equal to that raised by the district's 2012 alternative education  
20 program levy; ~~and~~
- 21 f. An amount equal to seventy-five percent of the revenue received by the school  
22 district during the 2012-13 school year for the following revenue types:  
23 (1) ~~Seventy-five percent of all revenue received by the school district~~  
24 ~~and~~Revenue reported under code 2000 of the North Dakota school district

1 financial accounting and reporting manual, as developed by the  
2 superintendent of public instruction in accordance with section 15.1-02-08;  
3 ~~(2) Seventy-five percent of all mineral~~Mineral revenue received by the school-  
4 ~~district~~ through direct allocation from the state treasurer and not reported  
5 under code 2000 of the North Dakota school district financial accounting  
6 and reporting manual, as developed by the superintendent of public  
7 instruction in accordance with section 15.1-02-08;

8 ~~(3) Seventy-five percent of all tuition received by the school district and~~Tuition  
9 reported under code 1300 of the North Dakota school district financial  
10 accounting and reporting manual, as developed by the superintendent of  
11 public instruction in accordance with section 15.1-02-08, with the exception  
12 of revenue received specifically for the operation of an educational program  
13 provided at a residential treatment facility and tuition received for the  
14 provision of an adult farm management program;

15 ~~(4) Seventy-five percent of all revenue received by the school district~~Revenue  
16 from payments in lieu of taxes on the distribution and transmission of  
17 electric power;

18 ~~(5) Seventy-five percent of all revenue received by the school district~~Revenue  
19 from payments in lieu of taxes on electricity generated from sources other  
20 than coal; and

21 ~~(6) All revenue received by the school district from mobile home taxes;~~

22 ~~(7) Seventy-five percent of all revenue received by the school district~~Revenue  
23 from the leasing of land acquired by the United States for which  
24 compensation is allocated to the state under 33 U.S.C. 701(c)(3); and

25 ~~(8) All telecommunications~~

26 g. An amount equal to the total revenue received by the school district during the  
27 2012-13 school year for the following revenue types:

28 (1) Mobile home tax revenue;

29 (2) Telecommunications tax revenue received by the school district; and

Sixty-sixth  
Legislative Assembly

1           ~~(9)(3)~~ All revenue received by the school district Revenue from payments in lieu of  
2                                   taxes and state reimbursement of the homestead credit and disabled  
3                                   veterans credit.

4       2.     The superintendent shall divide the district's total baseline funding by the district's  
5                                   2012-13 weighted student units to determine the district's baseline funding per  
6                                   weighted student unit.

7       3.    a.    In 2017-18, the superintendent shall multiply the district's weighted student units  
8                                   by nine thousand six hundred forty-six dollars.

9                                   (1)    The superintendent shall adjust the product to ensure the product is at least  
10                                   equal to the greater of:

- 11                                   (a)    One hundred eight percent of the district's baseline funding per
- 12   weighted student unit, as established in subsection 2, multiplied by
- 13   the district's weighted student units from the previous school year; or
- 14                                   (b)    One hundred percent of the district's baseline funding as established
- 15   in subsection 1.

16                                   (2)    The superintendent also shall adjust the product to ensure the product does  
17   not exceed one hundred forty percent of the district's baseline funding per  
18   weighted student unit multiplied by the district's weighted student units from  
19   the previous school year, as established in subsection 2.

20       b.    In 2018-19, the superintendent shall multiply the district's weighted student units  
21                                   by nine thousand six hundred forty-six dollars.

22                                   (1)    The superintendent shall adjust the product to ensure the product is at least  
23                                   equal to the greater of:

- 24                                   (a)    One hundred eight percent of the district's baseline funding per
- 25   weighted student unit, as established in subsection 2, multiplied by
- 26   the district's weighted student units from the previous school year; or
- 27                                   (b)    One hundred percent of the district's baseline funding as established
- 28   in subsection 1.

29                                   (2)    The superintendent also shall adjust the product to ensure the product does  
30   not exceed one hundred forty percent of the district's baseline funding per

- 1                    weighted student unit, as established in subsection 2, multiplied by the  
2                    district's weighted student units from the previous school year.
- 3        4.    After determining the product in accordance with subsection 3, the superintendent of  
4                    public instruction shall:
- 5                    a.    Subtract an amount equal to sixty mills multiplied by the taxable valuation of the  
6                    school district, except the amount in dollars subtracted for purposes of this  
7                    subdivision may not exceed the previous year's amount in dollars subtracted for  
8                    purposes of this subdivision by more than twelve percent; and
- 9                    b.    Subtract an amount equal to seventy-five percent of all revenues apportioned  
10                    revenue listed in paragraphs 1 through 5, and 7 of subdivision f of subsection 1  
11                    and one hundred percent of all revenues apportioned revenue listed in  
12                    paragraphs 6, 8, and 9 of subdivision fg of subsection 1. For purposes of this  
13                    subdivision, "apportioned revenue" means the total revenue received by each  
14                    school district during the previous school year for each revenue type identified in  
15                    subdivisions f and g of subsection 1 multiplied by the percentage of mills levied in  
16                    the previous calendar year by the school district for general fund purposes  
17                    relative to the total mills levied in the previous calendar year by the school  
18                    district.
- 19        5.    The amount remaining after the computation required under subsection 4 is the  
20                    amount of state aid to which a school district is entitled, subject to any other statutory  
21                    requirements or limitations.
- 22        6.    For purposes of the calculation in subsection 4, each county auditor shall report the  
23                    following to the superintendent of public instruction on an annual basis:
- 24                    a.    The amount of revenue received by each school district in the county during the  
25                    previous school year for each type of revenue identified in subdivisions f and g of  
26                    subsection 1;
- 27                    b.    The total number of mills levied in the previous calendar year by each school  
28                    district; and
- 29                    c.    The number of mills levied in the previous calendar year by each school district  
30                    for general fund purposes.