

Introduced by

Representatives Heinert, Richter

Senators Lemm, Schaible

1 A BILL for an Act to amend and reenact sections 15.1-27-03.1, 15.1-27-04.1, 48-01.2-02.1, and  
2 57-15-14.2 of the North Dakota Century Code, relating to weighted average daily membership,  
3 the determination of state aid, public improvement construction, and school district levies; to  
4 provide for a transfer; and to provide an effective date.

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

6 **SECTION 1. AMENDMENT.** Section 15.1-27-03.1 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **15.1-27-03.1. Weighted average daily membership - Determination.**

9 1. For each school district, the superintendent of public instruction shall multiply by:

10 a. 1.00 the number of full-time equivalent students enrolled in an extended  
11 educational program in accordance with section 15.1-32-17;

12 b. 0.60 the number of full-time equivalent students enrolled in a summer education  
13 program, including a migrant summer education program;

14 c. 0.40 the number of full-time equivalent students who:

15 (1) On a test of English language proficiency approved by the superintendent of  
16 public instruction are determined to be least proficient and placed in the first  
17 of six categories of proficiency; and

18 (2) Are enrolled in a program of instruction for English language learners;

19 d. 0.28 the number of full-time equivalent students who:

20 (1) On a test of English language proficiency approved by the superintendent of  
21 public instruction are determined to be more proficient than students placed  
22 in the first of six categories of proficiency and therefore placed in the second  
23 of six categories of proficiency; and

24 (2) Are enrolled in a program of instruction for English language learners;

- 1 e. 0.25 the number of full-time equivalent students under the age of twenty-one  
2 enrolled in grades nine through twelve in an alternative high school;
- 3 f. 0.20 the number of full-time equivalent students enrolled in a home-based  
4 education program and monitored by the school district under chapter 15.1-23;
- 5 g. 0.17 the number of full-time equivalent students enrolled in an early childhood  
6 special education program;
- 7 h. 0.15 the number of full-time equivalent students in grades six through eight  
8 enrolled in an alternative education program for at least an average of fifteen  
9 hours per week;
- 10 i. 0.10 the number of students enrolled in average daily membership, if the district  
11 has fewer than one hundred students enrolled in average daily membership and  
12 the district consists of an area greater than two hundred seventy-five square  
13 miles [19424.9 hectares], provided that any school district consisting of an area  
14 greater than six hundred square miles [155399 hectares] and enrolling fewer than  
15 fifty students in average daily membership must be deemed to have an  
16 enrollment equal to fifty students in average daily membership;
- 17 j. ~~0.0880~~0.095 the number of students enrolled in average daily membership, in  
18 order to support the provision of special education services;
- 19 k. 0.07 the number of full-time equivalent students who:
- 20 (1) On a test of English language proficiency approved by the superintendent of  
21 public instruction are determined to be more proficient than students placed  
22 in the second of six categories of proficiency and therefore placed in the  
23 third of six categories of proficiency;
- 24 (2) Are enrolled in a program of instruction for English language learners; and
- 25 (3) Have not been in the third of six categories of proficiency for more than  
26 three years;
- 27 l. 0.025 the number of students representing that percentage of the total number of  
28 students in average daily membership which is equivalent to the three-year  
29 average percentage of students in grades three through eight who are eligible for  
30 free or reduced lunches under the Richard B. Russell National School Lunch Act  
31 [42 U.S.C. 1751 et seq.];

- 1 m. 0.002 the number of students enrolled in average daily membership in a school  
2 district that is a participating member of a regional education association meeting  
3 the requirements of chapter 15.1-09.1;
- 4 n. 1.0 the number of students by which the district's September tenth enrollment  
5 report exceeds the number of students in the prior year's average daily  
6 membership; and
- 7 o. For districts paid based on September tenth enrollment in the prior year, 1.00 the  
8 number of students determined by deducting the number of students in the prior  
9 year's September tenth enrollment from the prior year's average daily  
10 membership. If the prior year's September tenth enrollment exceeds the prior  
11 year's average daily membership, then a deduction of 1.00 the number of excess  
12 students.
- 13 2. The superintendent of public instruction shall determine each school district's weighted  
14 average daily membership by adding the products derived under subsection 1 to the  
15 district's average daily membership.

16 **SECTION 2. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 **15.1-27-04.1. Baseline funding - Establishment - Determination of state aid. (Effective**  
19 **through June 30, 2025) (Retroactive application -- [See note](#))**

- 20 ~~1. To determine the amount of state aid payable to each district, the superintendent of~~  
21 ~~public instruction shall establish each district's baseline funding. A district's baseline~~  
22 ~~funding consists of:~~
- 23 ~~a. All state aid received by the district in accordance with chapter 15.1-27 during the~~  
24 ~~2018-19 school year;~~
- 25 ~~b. An amount equal to the property tax deducted by the superintendent of public~~  
26 ~~instruction to determine the 2018-19 state aid payment;~~
- 27 ~~e. An amount equal to seventy-five percent of the revenue received by the school~~  
28 ~~district during the 2017-18 school year for the following revenue types:~~
- 29 ~~(1) Revenue reported under code 2000 of the North Dakota school district~~  
30 ~~financial accounting and reporting manual, as developed by the~~  
31 ~~superintendent of public instruction in accordance with section 15.1-02-08;~~

- 1           (2) ~~Mineral revenue received by the school district through direct allocation from~~  
2           ~~the state treasurer and not reported under code 2000 of the North Dakota~~  
3           ~~school district financial accounting and reporting manual, as developed by~~  
4           ~~the superintendent of public instruction in accordance with section~~  
5           ~~15.1-02-08;~~
- 6           (3) ~~Tuition reported under code 1300 of the North Dakota school district~~  
7           ~~financial accounting and reporting manual, as developed by the~~  
8           ~~superintendent of public instruction in accordance with section 15.1-02-08,~~  
9           ~~with the exception of revenue received specifically for the operation of an~~  
10          ~~educational program provided at a residential treatment facility, tuition~~  
11          ~~received for the provision of an adult farm management program, and~~  
12          ~~beginning in the 2021-22 school year, seventeen percent of tuition received~~  
13          ~~under an agreement to educate students from a school district on an~~  
14          ~~air force base with funding received through federal impact aid, and an~~  
15          ~~additional seventeen percent of tuition received under an agreement to~~  
16          ~~educate students from a school district on an air force base with funding~~  
17          ~~received through federal impact aid each school year thereafter, until the~~  
18          ~~2024-25 school year when sixty-eight percent of tuition received under an~~  
19          ~~agreement to educate students from a school district on an air force base~~  
20          ~~with funding received through federal impact aid must be excluded from the~~  
21          ~~tuition calculation under this paragraph;~~
- 22          (4) ~~Revenue from payments in lieu of taxes on the distribution and transmission~~  
23          ~~of electric power;~~
- 24          (5) ~~Revenue from payments in lieu of taxes on electricity generated from~~  
25          ~~sources other than coal; and~~
- 26          (6) ~~Revenue from the leasing of land acquired by the United States for which~~  
27          ~~compensation is allocated to the state under 33 U.S.C. 701(c)(3);~~
- 28          d. ~~An amount equal to the total revenue received by the school district during the~~  
29          ~~2017-18 school year for the following revenue types:~~
- 30               (1) ~~Mobile home tax revenue;~~
- 31               (2) ~~Telecommunications tax revenue; and~~

1                   ~~(3) Revenue from payments in lieu of taxes and state reimbursement of the~~  
2   ~~homestead credit and disabled veterans credit; and~~

3           e.   ~~Beginning with the 2020-21 school year, the superintendent shall reduce the~~  
4                   ~~baseline funding for any school district that becomes an elementary district~~  
5                   ~~pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must~~  
6                   ~~be proportional to the number of weighted student units in the grades that are~~  
7                   ~~offered through another school district relative to the total number of weighted~~  
8                   ~~student units the school district offered in the year before the school district~~  
9                   ~~became an elementary district. The reduced baseline funding applies to the~~  
10                   ~~calculation of state aid for the first school year in which the school district~~  
11                   ~~becomes an elementary district and for each year thereafter. For districts that~~  
12                   ~~become an elementary district prior to the 2020-21 school year, the~~  
13                   ~~superintendent shall use the reduced baseline funding to calculate state aid for~~  
14                   ~~the 2020-21 school year and for each year thereafter.~~

15           2.   a.   ~~The superintendent shall divide the district's baseline funding determined in~~  
16                   ~~subsection 1 by the district's 2017-18 weighted student units to determine the~~  
17                   ~~district's baseline funding per weighted student unit.~~

18           b.   ~~For any school district that becomes an elementary district pursuant to section~~  
19                   ~~15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the~~  
20                   ~~district's baseline funding per weighted student unit used to calculate state aid.~~  
21                   ~~The superintendent shall divide the district's baseline funding determined in~~  
22                   ~~subsection 1 by the district's weighted student units after the school district~~  
23                   ~~becomes an elementary district to determine the district's adjusted baseline~~  
24                   ~~funding per weighted student unit. The superintendent shall use the district's~~  
25                   ~~adjusted baseline funding per weighted student unit in the calculation of state aid~~  
26                   ~~for the first school year in which the school district becomes an elementary~~  
27                   ~~district and for each year thereafter.~~

28           c.   ~~Beginning with the 2021-22 school year and for each school year thereafter, the~~  
29                   ~~superintendent shall reduce the district's baseline funding per weighted student~~  
30                   ~~unit. Each year the superintendent shall calculate the amount by which the~~  
31                   ~~district's baseline funding per weighted student unit exceeds the payment per~~

1           weighted student unit provided in subsection 3. For the 2023-24 school year the  
2           superintendent shall reduce the district's baseline funding per weighted student  
3           unit by forty percent of the amount by which the district's baseline funding per  
4           weighted student unit exceeds the payment per weighted student unit for the  
5           2023-24 school year. For each year thereafter, the reduction percentage is  
6           increased by an additional fifteen percent. However, the district's baseline funding  
7           per weighted student unit, after the reduction, may not be less than the payment  
8           per weighted student unit provided in subsection 3.

9           3.   a.   For the 2023-24 school year, the superintendent shall calculate state aid as the  
10          greater of:

11          (1)   The district's weighted student units multiplied by ten thousand six hundred  
12          forty-six dollars;

13          (2)   One hundred two percent of the district's baseline funding per weighted  
14          student unit, as established in subsection 2, multiplied by the district's  
15          weighted student units, not to exceed the district's 2017-18 baseline  
16          weighted student units, plus any weighted student units in excess of the  
17          2017-18 baseline weighted student units multiplied by ten thousand  
18          six hundred forty-six dollars; or

19          (3)   The district's baseline funding as established in subsection 1 less the  
20          amount in paragraph 1, with the difference reduced by forty percent and  
21          then the difference added to the amount determined in paragraph 1.

22          b.   For the 2024-25 school year and each school year thereafter, the superintendent  
23          shall calculate state aid as the greater of:

24          (1)   The district's weighted student units multiplied by eleven thousand  
25          seventy-two dollars;

26          (2)   One hundred two percent of the district's baseline funding per weighted  
27          student unit, as established in subsection 2, multiplied by the district's  
28          weighted student units, not to exceed the district's 2017-18 baseline  
29          weighted student units, plus any weighted student units in excess of the  
30          2017-18 baseline weighted student units multiplied by eleven thousand  
31          seventy-two dollars; or

- 1                   ~~(3) The district's baseline funding as established in subsection 1 less the~~  
2                   ~~amount in paragraph 1, with the difference reduced by fifty-five percent for~~  
3                   ~~the 2024-25 school year and the reduction percentage increasing by fifteen~~  
4                   ~~percent each school year thereafter until the difference is reduced to zero,~~  
5                   ~~and then the difference added to the amount determined in paragraph 1.~~
- 6           4. ~~After determining the product in accordance with subsection 3, the superintendent of~~  
7           ~~public instruction shall:~~
- 8           a. ~~Subtract an amount equal to sixty mills multiplied by the taxable valuation of the~~  
9           ~~school district, except the amount in dollars subtracted for purposes of this~~  
10           ~~subdivision may not exceed the previous year's amount in dollars subtracted for~~  
11           ~~purposes of this subdivision by more than twelve percent, adjusted pursuant to~~  
12           ~~section 15.1-27-04.3; and~~
- 13           b. ~~Subtract an amount equal to seventy-five percent of all revenue types listed in~~  
14           ~~subdivisions c and d of subsection 1. Before determining the deduction for~~  
15           ~~seventy-five percent of all revenue types, the superintendent of public instruction~~  
16           ~~shall adjust revenues as follows:~~
- 17           ~~(1) Tuition revenue shall be adjusted as follows:~~
- 18                   ~~(a) In addition to deducting tuition revenue received specifically for the~~  
19                   ~~operation of an educational program provided at a residential~~  
20                   ~~treatment facility, tuition revenue received for the provision of an adult~~  
21                   ~~farm management program, tuition received for the education of~~  
22                   ~~high-cost and special education students, and tuition received under~~  
23                   ~~an agreement to educate students from a school district on an~~  
24                   ~~air force base with funding received through federal impact aid as~~  
25                   ~~directed each school year in paragraph 3 of subdivision c of~~  
26                   ~~subsection 1, the superintendent of public instruction also shall reduce~~  
27                   ~~the total tuition reported by the school district by the amount of tuition~~  
28                   ~~revenue received for the education of students not residing in the~~  
29                   ~~state and for which the state has not entered a cross-border education~~  
30                   ~~contract; and~~

1                                   (b) ~~The superintendent of public instruction also shall reduce the total~~  
2                                   ~~tuition reported by admitting school districts meeting the requirements~~  
3                                   ~~of subdivision e of subsection 2 of section 15.1-29-12 by the amount~~  
4                                   ~~of tuition revenue received for the education of students residing in an~~  
5                                   ~~adjacent school district.~~

6                                   (2) ~~After adjusting tuition revenue as provided in paragraph 1, the~~  
7                                   ~~superintendent shall reduce all remaining revenues from all revenue types~~  
8                                   ~~by the percentage of mills levied in 2022 by the school district for sinking~~  
9                                   ~~and interest relative to the total mills levied in 2022 by the school district for~~  
10                                   ~~all purposes.~~

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

14                                  6. ~~On or before June thirtieth of each year, the school board shall certify to the~~  
15                                  ~~superintendent of public instruction the final average daily membership for the current~~  
16                                  ~~school year.~~

17                                  7. ~~For purposes of the calculation in subsection 4, each county auditor, in collaboration~~  
18                                  ~~with the school districts, shall report the following to the superintendent of public~~  
19                                  ~~instruction on an annual basis:~~

20                                  a. ~~The amount of revenue received by each school district in the county during the~~  
21                                  ~~previous school year for each type of revenue identified in subdivisions c and d of~~  
22                                  ~~subsection 1;~~

23                                  b. ~~The total number of mills levied in the previous calendar year by each school~~  
24                                  ~~district for all purposes; and~~

25                                  e. ~~The number of mills levied in the previous calendar year by each school district~~  
26                                  ~~for sinking and interest fund purposes.~~

27                                  ~~**Baseline funding -- Establishment -- Determination of state aid. (Effective after**~~  
28                                  ~~**June 30, 2025)**~~

29                                  1. ~~To determine the amount of state aid payable to each district, the superintendent of~~  
30                                  ~~public instruction shall establish each district's baseline funding. A district's baseline~~  
31                                  ~~funding consists of:~~



- 1           a. All state aid received by the district in accordance with chapter 15.1-27 during the
- 2                 2018-19 school year;
- 3           b. An amount equal to the property tax deducted by the superintendent of public
- 4                 instruction to determine the 2018-19 state aid payment;
- 5           c. An amount equal to seventy-five percent of the revenue received by the school
- 6                 district during the 2017-18 school year for the following revenue types:
- 7                 (1) Revenue reported under code 2000 of the North Dakota school district
- 8                         financial accounting and reporting manual, as developed by the
- 9                         superintendent of public instruction in accordance with section 15.1-02-08;
- 10                (2) Mineral revenue received by the school district through direct allocation from
- 11                       the state treasurer and not reported under code 2000 of the North Dakota
- 12                       school district financial accounting and reporting manual, as developed by
- 13                       the superintendent of public instruction in accordance with section
- 14                       15.1-02-08;
- 15                (3) Tuition reported under code 1300 of the North Dakota school district
- 16                       financial accounting and reporting manual, as developed by the
- 17                       superintendent of public instruction in accordance with section 15.1-02-08,
- 18                       with the exception of revenue received specifically for the operation of an
- 19                       educational program provided at a residential treatment facility, tuition
- 20                       received for the provision of an adult farm management program, and
- 21                       beginning in the 2025-26 school year, eighty-five percent of tuition received
- 22                       under an agreement to educate students from a school district on an
- 23                       air force base with funding received through federal impact aid, until the
- 24                       2026-27 school year, and each school year thereafter, when all tuition
- 25                       received under an agreement to educate students from a school district on
- 26                       an air force base with funding received through federal impact aid must be
- 27                       excluded from the tuition calculation under this paragraph;
- 28                (4) Revenue from payments in lieu of taxes on the distribution and transmission
- 29                       of electric power;
- 30                (5) Revenue from payments in lieu of taxes on electricity generated from
- 31                       sources other than coal; and

- 1                   (6) Revenue from the leasing of land acquired by the United States for which  
2    compensation is allocated to the state under 33 U.S.C. 701(c)(3); and
- 3           d. An amount equal to the total revenue received by the school district during the  
4                   2017-18 school year for the following revenue types:
- 5                   (1) Mobile home tax revenue;
- 6                   (2) Telecommunications tax revenue; and
- 7                   (3) Revenue from payments in lieu of taxes and state reimbursement of the  
8    homestead credit and disabled veterans credit.
- 9           e. Beginning with the 2020-21 school year, the superintendent shall reduce the  
10                   baseline funding for any school district that becomes an elementary district  
11    pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must  
12    be proportional to the number of weighted student units in the grades that are  
13    offered through another school district relative to the total number of weighted  
14    student units the school district offered in the year before the school district  
15    became an elementary district. The reduced baseline funding applies to the  
16    calculation of state aid for the first school year in which the school district  
17    becomes an elementary district and for each year thereafter. For districts that  
18    become an elementary district prior to the 2020-21 school year, the  
19    superintendent shall use the reduced baseline funding to calculate state aid for  
20    the 2020-21 school year and for each year thereafter.
- 21           2. a. The superintendent shall divide the district's baseline funding determined in  
22    subsection 1 by the district's 2017-18 weighted student units to determine the  
23    district's baseline funding per weighted student unit.
- 24                   b. For any school district that becomes an elementary district pursuant to section  
25    15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the  
26    district's baseline funding per weighted student unit used to calculate state aid.  
27    The superintendent shall divide the district's baseline funding determined in  
28    subsection 1 by the district's weighted student units after the school district  
29    becomes an elementary district to determine the district's adjusted baseline  
30    funding per weighted student unit. The superintendent shall use the district's  
31    adjusted baseline funding per weighted student unit in the calculation of state aid

1 for the first school year in which the school district becomes an elementary  
2 district and for each year thereafter.

3 c. Beginning with the 2021-22 school year and for each school year thereafter, the  
4 superintendent shall reduce the district's baseline funding per weighted student  
5 unit. Each year the superintendent shall calculate the amount by which the  
6 district's baseline funding per weighted student unit exceeds the payment per  
7 weighted student unit provided in subsection 3. For the 2023-24 school year the  
8 superintendent shall reduce the district's baseline funding per weighted student  
9 unit by forty percent of the amount by which the district's baseline funding per  
10 weighted student unit exceeds the payment per weighted student unit for the  
11 2023-24 school year. For each year thereafter, the reduction percentage is  
12 increased by an additional fifteen percent. However, the district's baseline funding  
13 per weighted student unit, after the reduction, may not be less than the payment  
14 per weighted student unit provided in subsection 3.

15 3. a. For the ~~2023-24~~2025-26 school year, the superintendent shall calculate state aid  
16 as the greater of:

17 (1) The district's weighted student units multiplied by ~~ten thousand six hundred~~  
18 forty-six~~eleven thousand four hundred four~~ dollars;

19 (2) One hundred two percent of the district's baseline funding per weighted  
20 student unit, as established in subsection 2, multiplied by the district's  
21 weighted student units, not to exceed the district's 2017-18 baseline  
22 weighted student units, plus any weighted student units in excess of the  
23 2017-18 baseline weighted student units multiplied by ~~ten thousand~~  
24 six hundred forty-six~~eleven thousand four hundred four~~ dollars; or

25 (3) The district's baseline funding as established in subsection 1 less the  
26 amount in paragraph 1, with the difference reduced by ~~forty~~seventy percent  
27 and then the difference added to the amount determined in paragraph 1.

28 b. For the ~~2024-25~~2026-27 school year and each school year thereafter, the  
29 superintendent shall calculate state aid as the greater of:

30 (1) The district's weighted student units multiplied by eleven thousand  
31 ~~seventy-two~~seven hundred forty-six dollars;

- 1                   (2) One hundred two percent of the district's baseline funding per weighted  
2                   student unit, as established in subsection 2, multiplied by the district's  
3                   weighted student units, not to exceed the district's 2017-18 baseline  
4                   weighted student units, plus any weighted student units in excess of the  
5                   2017-18 baseline weighted student units multiplied by eleven thousand  
6                   ~~seventy-two~~seven hundred forty-six dollars; or
- 7                   (3) The district's baseline funding as established in subsection 1 less the  
8                   amount in paragraph 1, with the difference reduced by ~~fifty-five~~eighty-five  
9                   percent for the ~~2024-25~~2026-27 school year and the reduction percentage  
10                  increasing by fifteen percent each school year thereafter until the difference  
11                  is reduced to zero, and then the difference added to the amount determined  
12                  in paragraph 1.
- 13                  4. After determining the product in accordance with subsection 3, the superintendent of  
14                  public instruction shall:
- 15                  a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the  
16                  school district; and
- 17                  b. Subtract an amount equal to seventy-five percent of all revenue types listed in  
18                  ~~subdivisions c and d~~subdivision c and paragraphs 1 and 2 of subdivision d of  
19                  subsection 1 and revenue from payments in lieu of taxes. Before determining the  
20                  deduction for seventy-five percent of all revenue types, the superintendent of  
21                  public instruction shall adjust revenues as follows:
- 22                  (1) Tuition revenue shall be adjusted as follows:
- 23                          (a) In addition to deducting tuition revenue received specifically for the  
24                          operation of an educational program provided at a residential  
25                          treatment facility, tuition revenue received for the provision of an adult  
26                          farm management program, tuition received for the education of  
27                          high-cost and special education students, and tuition received under  
28                          an agreement to educate students from a school district on an  
29                          air force base with funding received through federal impact aid as  
30                          directed each school year in paragraph 3 of subdivision c of  
31                          subsection 1, the superintendent of public instruction also shall reduce

1 the total tuition reported by the school district by the amount of tuition  
2 revenue received for the education of students not residing in the  
3 state and for which the state has not entered a cross-border education  
4 contract; and

5 (b) The superintendent of public instruction also shall reduce the total  
6 tuition reported by admitting school districts meeting the requirements  
7 of subdivision e of subsection 2 of section 15.1-29-12 by the amount  
8 of tuition revenue received for the education of students residing in an  
9 adjacent school district.

10 (2) After adjusting tuition revenue as provided in paragraph 1, the  
11 superintendent shall reduce all remaining revenues from all revenue types  
12 by the percentage of mills levied in ~~2022~~2024 by the school district for  
13 sinking and interest relative to the total mills levied in ~~2022~~2024 by the  
14 school district for all purposes.

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 6. On or before June thirtieth of each year, the school board shall certify to the  
19 superintendent of public instruction the final average daily membership for the current  
20 school year.

21 7. For purposes of the calculation in subsection 4, each county auditor, in collaboration  
22 with the school districts, shall report the following to the superintendent of public  
23 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 c and d of  
26 subsection 1;

27 b. The total number of mills levied in the previous calendar year by each school  
28 district for all purposes; and

29 c. The number of mills levied in the previous calendar year by each school district  
30 for sinking and interest fund purposes.

1       **SECTION 3. AMENDMENT.** Section 48-01.2-02.1 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **48-01.2-02.1. Public improvement construction threshold.**

- 4       1. The threshold for bidding construction of a public improvement is two hundred fifty  
5 thousand dollars. The threshold for procuring plans, drawings, and specifications from  
6 an architect or engineer for construction of a public improvement is two hundred fifty  
7 thousand dollars.
- 8       2. Notwithstanding the thresholds in subsection 1, if the state or a political subdivision  
9 undertakes the construction of a public improvement and there is reason to believe  
10 that engineering or architectural services are necessary to protect the health, safety, or  
11 welfare of the public, the state or political subdivision shall consider consulting with an  
12 engineer or architect.

13       **SECTION 4. AMENDMENT.** Section 57-15-14.2 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15       **57-15-14.2. School district levies.**

- 16       1. The board of a school district may levy a tax ~~not exceeding the amount in dollars that~~  
17 ~~the school district levied for the prior year, plus twelve percent,~~ up to a levy of seventy  
18 mills on the taxable valuation of the district, for any purpose related to the provision of  
19 educational services. The proceeds of this levy must be deposited into the school  
20 district's general fund and used in accordance with this subsection. The proceeds may  
21 not be transferred into any other fund.
- 22       2. The board of a school district may levy no more than twelve mills on the taxable  
23 valuation of the district, for miscellaneous purposes and expenses. The proceeds of  
24 this levy must be deposited into a special fund known as the miscellaneous fund and  
25 used in accordance with this subsection. The proceeds may not be transferred into  
26 any other fund.
- 27       3. The board of a school district may levy no more than three mills on the taxable  
28 valuation of the district for deposit into a special reserve fund, in accordance with  
29 chapter 57-19.
- 30       4. The board of a school district may levy no more than the number of mills necessary,  
31 on the taxable valuation of the district, for the payment of tuition, in accordance with

- 1 section 15.1-29-15. The proceeds of this levy must be deposited into a special fund  
2 known as the tuition fund and used in accordance with this subsection. The proceeds  
3 may not be transferred into any other fund.
- 4 5. The board of a school district may levy no more than five mills on the taxable valuation  
5 of the district, pursuant to section 57-15-15.1, for purposes of developing a school  
6 safety plan in accordance with section 15.1-09-60. The proceeds of this levy must be  
7 deposited into a special fund known as the school safety plan fund and used in  
8 accordance with this subsection.
- 9 6. Nothing in this section limits the board of a school district from levying:
- 10 a. Mills for a building fund, as permitted in sections 15.1-09-49 and 57-15-16; and  
11 b. Mills necessary to pay principal and interest on the bonded debt of the district,  
12 including the mills necessary to pay principal and interest on any bonded debt  
13 incurred under section 57-15-17.1 before July 1, 2013.

14 **SECTION 5. TRANSFER - FOUNDATION AID STABILIZATION FUND TO SCHOOL**

15 **CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND.** The office of management and  
16 budget shall transfer the sum of \$100,000,000 from the foundation aid stabilization fund to the  
17 school construction assistance revolving loan fund during the biennium beginning July 1, 2025,  
18 and ending June 30, 2027.

19 **SECTION 6. EFFECTIVE DATE.** Section 4 of this Act is effective for taxable years  
20 beginning after December 31, 2024.