

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2178

That the House recede from its amendments as printed on page 1091 of the Senate Journal and page 1261 of the House Journal and that Reengrossed Senate Bill No. 2178 be amended as follows:

Page 1, line 2, remove the second "the"

Page 1, line 2, remove "district"

Page 1, line 3, replace "fund" with "loans"

Page 1, line 3, after the semicolon insert "to amend and reenact sections 15.1-36-01 and 16.1-01-11 and of the North Dakota Century Code, relating to the approval of school construction projects and to bond elections;"

Page 1, line 4, replace "an appropriation" with "for a transfer"

Page 1, after line 5, insert:

"SECTION 1. AMENDMENT. Section 15.1-36-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-36-01. School construction projects - Approval.

1. Notwithstanding the powers and duties of school boards provided by law, the superintendent of public instruction shall approve the construction, purchase, repair, improvement, modernization, or renovation of any public school building or facility before commencement of the project if the cost of the project, as estimated by the school board, is in excess of one hundred thousand dollars.
2. The superintendent of public instruction may not approve a project unless the school district proposing the project:
 - a. Demonstrates the need for the project and the educational utility of the project or demonstrates potential utilization of the project by a future reorganized school district;
 - b. ~~In the case of new construction or a renovation affecting more than fifty percent of an existing structure's square footage, demonstrates that circumstances within the district are likely to result in a stable or increasing student population~~
 - (1) Demonstrates that the student population has been stable or has increased during the preceding five school years and is expected to be stable or to increase during the ensuing five school years; or
 - (2) Demonstrates by clear and convincing evidence that, despite a declining student population, there are no feasible alternatives to the proposed project; and

- c. Demonstrates the capacity to pay for the project under rules adopted by the superintendent of public instruction pursuant to chapter 28-32.
- 3. a. If the superintendent of public instruction denies the project, the school board may appeal the superintendent's decision to the state board of public school education. In considering the appeal, the state board shall review:
 - (1) The need for the project;
 - (2) The educational utility of the project;
 - (3) The potential use of the project by a future reorganized school district;
 - (4) The capacity of the district to pay for the project; and
 - (5) Any other objective factors relative to the appeal.
- b. The decision of the state board is final.
- 4. This section is applicable to any construction, purchase, repair, improvement, renovation, or modernization, even if the school board pays for the project in whole or in part with moneys received on account of the leasing of lands acquired by the United States for flood control, navigation, and allied purposes in accordance with 33 U.S.C. 701c-3 or in accordance with moneys received under the American Recovery and Reinvestment Act of 2009.
- 5. For purposes of this chapter, "facility" includes a public school parking lot, public school athletic complex, or any other improvement to real property owned by the school district."

Page 1, line 11, after "loans" insert ", except that the total of all loans provided under this section during the first year of the 2015-17 biennium may not exceed fifty percent of the total amount authorized under this subsection"

Page 1, after line 16, insert:

- "c. (1) Request from the tax commissioner a statement of the estimated tax increase, in mills and dollars, which would be applicable to a residential parcel of average true and full value within the county in which the school district is headquartered, if a loan under this section and any associated school construction bond issue were to be authorized in accordance with chapter 21-03;
- (2) Request from the tax commissioner a statement of the estimated tax increase, in mills and dollars, which would be applicable to an acre of cropland and to an acre of noncropland, of average true and full value within the county in which the school district is headquartered, if a loan under this section and any associated school construction bond issue were to be authorized in accordance with chapter 21-03;
- (3) Publish in the official newspaper of the district the information from the statements required by this subdivision with the notice

of the election to authorize the school construction bond issuance in accordance with section 21-03-12; and

- (4) Post on the school district's website the information from the statements preceding the date of the election to authorize the school construction bond issuance in accordance with chapter 21-03;"

Page 1, line 17, replace "c." with "d."

Page 1, line 18, replace "d." with "e."

Page 2, line 10, replace "one" with "two"

Page 2, line 11, after the underscored period insert "Thereafter, the interest rate on the remainder of a loan under this section:

- a. May not exceed the Bank of North Dakota's base rate; or
- b. May be a fixed rate."

Page 2, line 17, replace "thirty" with "twenty"

Page 2, after line 17, insert:

"SECTION 3. AMENDMENT. Section 16.1-01-11 of the North Dakota Century Code is amended and reenacted as follows:

16-01-11. Certain questions not to be voted upon for three months.

- 1. Whenever at any election a bond issue or mil levy question has failed to receive the required number of votes for approval by the electors, the matter may not again be submitted to a vote until a period of at least three months has expired, ~~and in no event may more.~~
- 2.
 - a. More than two elections on the same general matter may not be held within twelve consecutive calendar months.
 - b. If the matter to be placed before the electors for a third subsequent time involves authorization for a school construction bond issuance in accordance with chapter 21-03, the board of the school district shall resubmit its school construction proposal to the superintendent of public instruction for the purpose of obtaining the superintendent's approval, in the same manner as required for an initial approval in accordance with section 15.1-36-01."

Page 2, remove lines 30 and 31

Page 3, replace lines 1 through 4 with:

"SECTION 4. TRANSFER. There is transferred from the Bank of North Dakota's current earnings and undivided profits the sum of \$7,875,000, or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of providing interest rate buydowns on construction loans awarded to school districts under section 2 of this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 3, line 5, replace "2" with "4"

Renumber accordingly