

COMPARISON OF SENATE BILL NO. 2150 VERSIONS AND ASSOCIATED ESTIMATED STATE FISCAL EFFECTS

Senate Bill No. 2150, as amended by the House Education Committee, will require the following estimated funding considerations in Senate Bill No. 2013:

- (\$68,000) - Decrease in operating expenses for the Professional Development Advisory Committee (Section 6).
- (\$2,200,000) - Decrease in state school aid for the changes in per student payment rates (Section 23).
- \$4,000,000 - Increase in state school aid or a separate line item for the supplemental teacher-effectiveness compensation program (Section 30).
- \$300,000 - Increase in operating expenses for the Alternative Teacher Compensation System Review Panel (Section 36).
- \$5,000,000 - Increase in state school aid for rapid enrollment grants (Section 44).
- \$7,032,000 - Total.

As Introduced	Senate Version/Fiscal Effect	House Education Committee Amendments
N/A	N/A	<p style="text-align: center;">Section 1</p> <p>This section delays the requirement that school districts increase their school calendars by one day, from 181 days to 182 days (175 of which are for instruction) until the 2012-13 school year.</p> <p>The executive recommendation included, and the Senate approved, funding for the additional calendar day to begin with the 2011-12 school year. The estimated savings to school districts of the delayed implementation is \$3.6 million. However, the per student payment rates provided in Section 23 reflect a total reduction in state school aid of approximately \$2.2 million from the Senate version of the bill.</p>
<p style="text-align: center;">Section 1 (Amendment of Section 15.1-07-33) Student Information System - Statewide Coordination - Financial Support - Exemption</p> <p>This section directs the Superintendent of Public Instruction to forward that portion of a school district's state aid which is attributable to the acquisition and use of PowerSchool and any related technology support services directly to the Information Technology Department. If the amount forwarded exceeds the cost incurred by the Information Technology Department, it must be returned to the school district as per student payments.</p> <p>This section also allows the Superintendent of Public Instruction to exempt a school district from having to acquire and utilize PowerSchool if it demonstrates that it is using a comparable system in accordance with Bureau of Indian Education requirements.</p>	No change	<p style="text-align: center;">Section 2</p> <p style="text-align: center;">No change</p>

As Introduced	Senate Version/Fiscal Effect	House Education Committee Amendments
<p align="center">Section 2 (Amendment of Section 15.1-09-58) Early Childhood Education - Authorization - Support</p> <p>This section authorizes the board of a school district to support an early childhood education program with local tax revenues, as well as state and federal money, and gifts, grants, and donations.</p>	<p align="center">Section 2 (Amendment of Section 15.1-09-58) Early Childhood Education - Authorization - Support</p> <p>This section authorizes the board of a school district to support an early childhood education program with local tax revenues, other than those necessary to support the district's kindergarten program and the provision of elementary and high school educational services, as well as state and federal money, and gifts, grants, and donations.</p>	<p align="center">Section 3</p> <p>This section authorizes the board of a school district to support an early childhood education program with local tax revenues, other than those necessary to support the district's kindergarten program and the provision of elementary and high school educational services, as well as federal money, and gifts, grants, and donations. The reference to "state moneys specifically appropriated for the program" was removed.</p>
<p align="center">Section 3 (Amendment of Section 15.1-09.1-02) Regional Education Association - Joint Powers Agreement - Review by Superintendent of Public Instruction - Criteria</p> <p>This section removes the list of administrative functions and student services that were statutorily required of a regional education association.</p>	<p align="center">Section 3</p> <p>This section removes the list of administrative functions and student services that were statutorily required of a regional education association. In addition, it provides that each member of the governing board must be an individual currently serving on the board of a participating school district or the designee of a participating school district's board.</p>	<p align="center">Section 4</p> <p>No change from second engrossment</p>
<p align="center">Section 4 (New Section to Chapter 15.1-09.1) Regional Education Association - Services to Be Offered</p> <p>This section requires a regional education association to offer coordination and facilitation of professional development activities for teachers and administrators employed by its member districts; supplementation of technology support services; assistance with achieving school improvement goals identified by the Superintendent of Public Instruction; assistance with the collection, analysis, and interpretation of student achievement data; and assistance with the expansion and enrichment of curricular offerings.</p>	<p align="center">Section 4</p> <p>No change State fiscal effect - Regional education associations are being given more prescriptive duties. Additional staff and associated expenses should be expected. Section 7 of Senate Bill No. 2013 authorizes the Superintendent of Public Instruction to expend up to \$800,000 from the state school aid line item for the purpose of providing grants to eligible regional education associations to assist with the cost of compensating coordinators, an increase of \$400,000 from the 2009-11 biennium.</p>	<p align="center">Section 5</p> <p>No change State fiscal effect - Regional education associations are being given more prescriptive duties. Additional staff and associated expenses should be expected. Section 7 of Senate Bill No. 2013 authorizes the Superintendent of Public Instruction to expend up to \$800,000 from the state school aid line item for the purpose of providing grants to eligible regional education associations to assist with the cost of compensating coordinators, an increase of \$400,000 from the 2009-11 biennium.</p>
<p align="center">Section 5 (New Section to Chapter 15.1-18.2) Professional Development Advisory Committee - Compensation of Members</p> <p>This section provides per diem compensation in the amount of \$135 to and expense reimbursement for members of the Professional Development Advisory Committee.</p>	<p align="center">Section 5 (New Section to Chapter 15.1-18.2) Professional Development Advisory Committee - Reimbursement of Members</p> <p>This section provides expense reimbursement for members of the Professional Development Advisory Committee. State fiscal effect - Funding for the expenses of the committee of \$122,000 from the general fund is included in the operating expenses line item of Senate Bill No. 2013. Of this amount, \$30,000 relates to the per diem. The Senate did not reduce the operating expenses line item of the Department of Public Instruction by \$30,000, but allowed the department to use this additional funding to offset a shortfall in funding for the written portion of the ACT and WorkKeys assessments.</p>	<p align="center">Section 6</p> <p>This section provides expense reimbursement for each member of the Professional Development Advisory Committee. However, the section also limits that reimbursement to three committee meetings during each year of the biennium. State fiscal effect - Funding for the expenses of the committee of \$122,000 from the general fund is included in the operating expenses line item of Senate Bill No. 2013. Of this amount, \$30,000 relates to the per diem. The Senate did not reduce the operating expenses line item of the Department of Public Instruction by \$30,000, but allowed the department to use this additional funding to offset a shortfall in funding for the written portion of the ACT and WorkKeys assessments. The House limited the number of meetings to six per biennium. Estimated cost for six meetings is \$24,000, an additional savings of \$68,000.</p>

As Introduced	Senate Version/Fiscal Effect	House Education Committee Amendments
<p align="center">Section 6 (New Section to Chapter 15.1-18.2) Teacher Support Program - Establishment</p> <p>This section places the teacher mentoring program operated by the Education Standards and Practices Board into the North Dakota Century Code.</p>	<p align="center">Section 6</p> <p>No change State fiscal effect - Sections 6, 7, and 8 relate to the teacher monitoring program which is being codified in this Act. Section 48 of 2009 House Bill No. 1400 limited the service to teachers employed by school districts. Senate Bill No. 2013 provides \$2.3 million for the teacher mentoring program, the same as the 2009-11 biennium.</p>	<p align="center">Section 7</p> <p>No change State fiscal effect - Sections 7, 8, and 9 relate to the teacher monitoring program which is being codified in this Act. Section 48 of 2009 House Bill No. 1400 limited the service to teachers employed by school districts. Senate Bill No. 2013 provides \$2.3 million for the teacher mentoring program, the same as the 2009-11 biennium.</p>
<p align="center">Section 7 (New Section to Chapter 15.1-18.2) Teacher Support Program - Availability of Services</p> <p>This section authorizes the Education Standards and Practices Board to use any money it receives for the teacher support program to provide staff compensation, training, evaluation, and stipends for mentors and experienced teachers who assist first-year and non-first-year teachers participating in the program and to pay for any other administrative expenses resulting from the program.</p>	<p align="center">Section 7</p> <p>No change. See note regarding Section 6.</p>	<p align="center">Section 8</p> <p>No change. See note regarding Section 7.</p>
<p align="center">Section 8 (New Section to Chapter 15.1-18.2) Teacher Support Program - Authorized Service Recipients</p> <p>This section makes the teacher support program available to teachers employed by school districts, special education units, area career and technology centers, regional education associations, and schools funded by the Bureau of Indian Education.</p>	<p align="center">Section 8</p> <p>No change. See note regarding Section 6.</p>	<p align="center">Section 9</p> <p>No change. See note regarding Section 7.</p>
<p>N/A</p>	<p align="center">Section 9 (Amendment of Section 15.1-20-01) Compulsory Attendance</p> <p>This section provides that a student's formal schooling must begin with a kindergarten program that meets the requirements of Section 15.1-22-02 and must include all other grades from 1 through 12. The section sets the ages of compulsory attendance at 6 and 16 through June 30, 2015, and at 6 and 17 thereafter. The fiscal note prepared by the Department of Public Instruction did not estimate the cost of adding students to the state aid payment.</p>	<p>This section was removed by the House Education Committee. The Department of Public Instruction did not estimate the cost of the compulsory attendance provisions, so savings related to removing the provisions are not identifiable.</p>
<p align="center">Section 9 (Amendment of Section 15.1-21-02.1) High School Diploma - Minimum Requirements</p> <p>This section clarifies that in order to obtain a high school diploma, a student must have successfully completed the statutorily required 22 units of high school coursework and any additional units required by the entity issuing the diploma.</p>	<p align="center">Section 10</p> <p>No change</p>	<p align="center">Section 10</p> <p>No change</p>

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<p align="center">Section 10 (New Section to Chapter 15.1-21) High School Graduation - Minimum Requirements</p> <p>This section articulates the 22 units of high school coursework that constitute the minimum requirement for high school graduation.</p>	<p align="center">Section 11</p> <p>No change</p>	<p align="center">Section 11</p> <p>No change</p>
<p align="center">Section 11 (Amendment of Section 15.1-21-02.4) North Dakota Career and Technical Education Scholarship</p> <p>This section clarifies the requirements for a North Dakota career and technical education scholarship and provides that the requirements for a 3.0 grade point average (GPA) may be calculated using all high school units in which the student was enrolled or only the statutorily required units.</p>	<p align="center">Section 12 (Amendment of Section 15.1-21-02.4) North Dakota Career and Technical Education Scholarship</p> <p>This section clarifies the requirements for a North Dakota career and technical education scholarship and provides that the requirements for a 3.0 GPA may be calculated using all high school units in which the student was enrolled or only the statutorily required units. The section also allows a student to select American sign language from one of the required categories.</p>	<p align="center">Section 12</p> <p>No change from second engrossment</p>
<p align="center">Section 12 (Amendment of Section 15.1-21-02.5) North Dakota Academic Scholarship</p> <p>This section clarifies the requirements for a North Dakota academic scholarship and provides that the requirements for a 3.0 GPA may be calculated using all high school units in which the student was enrolled or only the statutorily required units. It also allows a student to take American sign language rather than two units of the same foreign or Native American language.</p>	<p align="center">Section 13 (Amendment of Section 15.1-21-02.5) North Dakota Academic Scholarship</p> <p>This section clarifies the requirements for a North Dakota academic scholarship and provides that the requirements for a 3.0 GPA may be calculated using all high school units in which the student was enrolled or only the statutorily required units. The section allows a student to take American sign language rather than two units of the same foreign or Native American language. The section also clarifies that a student must fulfill any one-unit requirement by means of an advanced placement course and examination or any half-unit requirement by means of a dual-credit course.</p>	<p align="center">Section 13</p> <p>No change from second engrossment</p>
<p align="center">Section 13 (Amendment of Section 15.1-21-02.6) North Dakota Scholarship - Amount - Applicability</p> <p>This section requires the State Board of Higher Education to monitor the academic performance of each scholarship recipient and to provide notification to the recipient within five days if the recipient has failed to maintain the required GPA.</p>	<p align="center">Section 14 (Amendment of Section 15.1-21-02.6) North Dakota Scholarship - Amount - Applicability</p> <p>This section provides that if a student meets the statutory requirements for a scholarship, the student is entitled to receive \$1,500 at the beginning of the student's first year of higher education. Beginning with the student's second year of higher education, the scholarship amount is \$750 per semester and is payable provided the student maintains a cumulative GPA of 2.75 and maintains enrollment in a minimum of 15 hours. If at the conclusion of the student's first year, or any semester thereafter, a student has failed to meet the requirements for a scholarship, the student, at the conclusion of the ensuing semester, may apply to the State Board of Higher Education for reinstatement of the scholarship. If a student fails to meet the statutory requirements for a second time, that student may not receive any additional scholarships under this section. The State</p>	<p align="center">Section 14</p> <p>This section establishes that the scholarships may be awarded in the amount of \$750 per semester or \$500 per quarter.</p>

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	<p>Board of Higher Education is directed to monitor the academic performance of each scholarship recipient and to provide notification to the recipient within five days if the recipient has failed to meet the statutory requirements.</p> <p>State fiscal effect - Students are given a second chance at retaining their scholarships even if their GPA drops below 2.75. There is no program history on which to base estimates of how many students would retain their scholarships and the cost associated with this policy.</p>	
N/A	N/A	<p>Section 15 (New Section to Chapter 15.1-21) North Dakota Scholarship - Eligibility - One-Time Exception</p> <p>This section provides that if a student's cumulative GPA at the conclusion of a semester is below 2.75, the State Board of Higher Education must grant a one-time exception and provide the North Dakota scholarship to which the student would otherwise be entitled for the next semester in which the student is enrolled full time. This provision is paralleled with respect to students attending institutions on a quarter system.</p> <p>State fiscal effect - Students are given a second chance at retaining their scholarships even if their GPA drops below 2.75. There is no program history on which to base estimates of how many students would retain their scholarships and the cost associated with this policy.</p>
<p>Section 14 (New Section to Chapter 15.1-21) North Dakota Scholarship Fund - Biannual Transfer - Continuing Appropriation</p> <p>This section requires the State Treasurer to biannually transfer from the interest and income of the lands and minerals trust fund to the North Dakota scholarship fund the amount necessary to provide the North Dakota academic scholarships and the North Dakota career and technical education scholarships.</p>	<p>Section 15 (New Section to Chapter 15.1-21) North Dakota Scholarship Fund - Biannual Transfer - Continuing Appropriation</p> <p>This section requires the State Treasurer to biannually transfer from the interest and income of the lands and minerals trust fund to the North Dakota scholarship fund the amount necessary to provide the North Dakota academic scholarships and the North Dakota career and technical education scholarships. In addition, the section provides a continuing appropriation to the State Board of Higher Education for the purpose of providing the scholarships.</p> <p>State fiscal effect - Total program funding required to be transferred from the lands and minerals trust fund to the North Dakota scholarship fund for the 2011-13 biennium is estimated to be \$10 million.</p>	<p>Section 16</p> <p>No change from second engrossment</p> <p>State fiscal effect - Total program funding required to be transferred from the lands and minerals trust fund to the North Dakota scholarship fund for the 2011-13 biennium is estimated to be \$10 million.</p>
<p>Section 15 (Amendment of Section 15.1-21-08) Reading, Mathematics, and Science - Administration of Test</p> <p>This section removes date-specific language related to the administration of the state assessments.</p>	<p>Section 16</p> <p>No change</p>	<p>Section 17</p> <p>No change</p>

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<p align="center">Section 16 (Amendment of Section 15.1-21-18) Career Interest Inventory - Educational and Career Planning - Consultation</p> <p>This section requires each school district to provide students in grade 7 or 8 with an individual consultative process or a nine-week course, for the purpose of discussing the results of their career interest inventory, selecting high school courses appropriate to their educational pursuits and career interests, and developing individual high school education plans. It also provides that upon a student's request, a school district must engage in a consultative review of the student's individual high school education plan at least once during each high school grade.</p>	<p align="center">Section 17 (Amendment of Section 15.1-21-18) Career Interest Inventory - Educational and Career Planning - Consultation</p> <p>This section requires each school district to provide students in grade 7 or 8 with an individual consultative process or a nine-week course for the purpose of discussing the results of their career interest inventory, selecting high school courses appropriate to their educational pursuits and career interests, and developing individual high school education plans. The section requires each school district to notify students that they are entitled to a consultative review at least once during each high school grade and to provide the consultative review when requested to do so.</p>	<p align="center">Section 18</p> <p>No change from second engrossment</p>
<p align="center">Section 17 (Amendment of Section 15.1-21-19) Summative Assessment - Selection - Cost - Exemptions</p> <p>This section provides that a student who takes the ACT must take the writing portion as well and further provides that the cost is to be borne by the state.</p>	<p align="center">Section 18 (Amendment of Section 15.1-21-19) Summative Assessment - Selection - Cost - Exemptions</p> <p>This section provides that students must take the ACT, including the writing portion or the WorkKeys assessments. It also provides that the cost is to be borne by the state.</p> <p>State fiscal effect - The executive recommendation in Senate Bill No. 2013 provided \$678,400 from the general fund for the estimated costs of administering the assessments. The Senate provided an additional \$100,000 from the national board certification fund and \$30,000 in general fund savings provided by removing the Professional Development Advisory Committee per diem to fully fund the cost of the assessments, including the writing test, and to provide a total of \$808,400 for the 2011-13 biennium. Discontinuation of the distribution of the ACT is estimated to save \$560,000 in the state school aid line item.</p>	<p align="center">Section 19</p> <p>This section provides that students must take the ACT, including the writing portion or the WorkKeys assessments without the writing portion.</p> <p>State fiscal effect - The executive recommendation in Senate Bill No. 2013 provided \$678,400 from the general fund for the estimated costs of administering the assessments. The Senate provided an additional \$100,000 from the national board certification fund and \$30,000 in general fund savings provided by removing the Professional Development Advisory Committee per diem to fully fund the cost of the assessments, including the writing test, and to provide a total of \$808,400 for the 2011-13 biennium. Discontinuation of the distribution of the ACT is estimated to save \$560,000 in the state school aid line item.</p> <p>Removing the writing portion of the WorkKeys assessment will not result in any savings as the estimated cost of \$808,800 provided by the department did not include the writing portion of the WorkKeys.</p>
N/A	<p align="center">Section 19 (Amendment of Section 15.1-22-01) Kindergarten - Establishment by Board - Request by Parent - Levy</p> <p>This section requires the board of a school district to provide at least a half-day kindergarten program or pay the tuition for a student to attend at least a half-day kindergarten program in another school district.</p>	<p align="center">Section 20</p> <p>This section provides that the board of a school district shall either provide at least a half-day kindergarten program or pay the tuition for a student to attend at least a half-day kindergarten program in another school district. It removes language that authorized but did not require a school district to provide such a program.</p>
<p align="center">Section 18 (Amendment of Section 15.1-27-03.1) Weighted Average Daily Membership - Determination</p> <p>This section clarifies English language proficiency categories, sets 0.10 as the factor for students enrolled in certain isolated school districts, sets 0.06 as the factor for students instructed by teachers participating in a</p>	<p align="center">Section 20 (Amendment of Section 15.1-27-03.1) Weighted Average Daily Membership - Determination</p> <p>This section clarifies English language learner proficiency categories, provides that the English language learner weighting factor is not applicable to students who have been in the third of six proficiency categories for</p>	<p align="center">Section 21</p> <p>No change from second engrossment</p> <p>State fiscal effect - The following is a summary of the estimated impact of the formula changes:</p> <ul style="list-style-type: none"> \$3 million increase - Change from a 0.002 technology factor to a 0.006 data collection factor. \$2.5 million increase - Increase in the special education factor from 0.07 to 0.073.

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<p>supplemental teacher-effectiveness compensation plan, and sets 0.006 as the factor for students enrolled in school districts that have or are in the process of acquiring PowerSchool.</p>	<p>more than three years, and sets 0.10 as the factor for students enrolled in certain isolated school districts. The section also sets 0.006 as the factor for students enrolled in school districts that have or are in the process of acquiring PowerSchool.</p> <p>State fiscal effect - The following is a summary of the estimated impact of the formula changes:</p> <ul style="list-style-type: none"> • \$3 million increase - Change from a 0.002 technology factor to a 0.006 data collection factor. • \$2.5 million increase - Increase in the special education factor from 0.07 to 0.073. • \$115,000 increase - Revision of the isolated school formula. • \$7.5 million increase - Supplemental teacher-effectiveness compensation factor. <p>The Senate removed the supplemental teacher-effectiveness compensation provisions estimated to cost \$7.5 million and provided for an increase in per student payments in Section 22.</p>	<ul style="list-style-type: none"> • \$115,000 increase - Revision of the isolated school formula. • \$7.5 million increase - Supplemental teacher-effectiveness compensation factor. <p>The Senate removed the supplemental teacher-effectiveness compensation provisions estimated to cost \$7.5 million and provided for an increase in per student payments.</p> <p>The House restored, with some changes, the supplemental teacher-effectiveness compensation provisions in Sections 27 through 36. A .04 factor is provided in Section 31, but a funding source is not identified.</p>
<p>N/A</p>	<p style="text-align: center;">Section 21 (Amendment of Section 15.1-27-03.1 - Effective as of July 1, 2013) Weighted Average Daily Membership - Determination</p> <p>Beginning July 1, 2013, this section establishes a weighting factor of 0.20 for students in grades 6 through 8 who are enrolled in an alternative education program for at least an average of 15 hours per week.</p> <p>State fiscal effect - The Department of Public Instruction did not provide an estimate of the future cost of this provision. A fiscal note prepared by the Department of Public Instruction for Senate Bill No. 2316 which was defeated in the Senate included a 0.25 factor for these students and the estimated cost for the 2013-15 biennium totaled \$1.36 million. Based on this estimate, the estimated cost of establishing a 0.20 weighting factor for the 2013-15 biennium would be \$1,088,000.</p>	<p style="text-align: center;">Section 22</p> <p>No change from second engrossment</p> <p>State fiscal effect - The Department of Public Instruction did not provide an estimate of the future cost of this provision. A fiscal note prepared by the Department of Public Instruction for Senate Bill No. 2316 which was defeated in the Senate included a 0.25 factor for these students and the estimated cost for the 2013-15 biennium totaled \$1.36 million. Based on this estimate, the estimated cost of establishing a 0.20 weighting factor for the 2013-15 biennium would be \$1,088,000.</p>
<p style="text-align: center;">Section 19 (Amendment of Section 15.1-27-04) Per Student Payment Rate</p> <p>This section sets the per student payment rates at \$3,879 and \$3,979.</p>	<p style="text-align: center;">Section 22 (Amendment of Section 15.1-27-04) Per Student Payment Rate</p> <p>This section sets the per student payment rate at \$3,961 for both years of the biennium.</p> <p>State fiscal effect - The increased per student rate is estimated to cost \$39.5 million, \$7.5 million more than the executive recommendation, for the 2011-13 biennium. The Senate removed the supplemental teacher-effectiveness compensation factor estimated to cost \$7.5 million.</p>	<p style="text-align: center;">Section 23</p> <p>This section sets the per student payment rate at \$3,930 for the first year of the biennium and at \$3,970 for the second year of the biennium.</p> <p>State fiscal effect - The House reduced the per student payment rate in the first year of the biennium and increased the per student payment rate in the second year of the biennium. The change in per student payment rates is estimated to reduce state school aid by \$2.2 million for the 2011-13 biennium from the Senate version of the bill.</p>

As Introduced	Senate Version/Fiscal Effect	House Education Committee Amendments
<p align="center">Section 20 (Amendment of Section 15.1-27-07.2) Baseline Funding - Determination - Minimum and Maximum Allowable Increases</p> <p>This section provides that the total amount of state aid payable to a district per weighted student unit, less any amount received as equity payments per weighted student unit, may not exceed a maximum of 142 percent of the baseline funding for the 2011-12 school year. No maximum is established for any year thereafter.</p>	<p align="center">Section 23</p> <p>No change State fiscal effect - Changes to the transition minimum and maximum allowable increases are estimated to reduce the funding required for state school aid by \$5.5 million for the 2011-13 biennium.</p>	<p align="center">Section 24</p> <p>No change State fiscal effect - Changes to the transition minimum and maximum allowable increases are estimated to reduce the funding required for state school aid by \$5.5 million for the 2011-13 biennium.</p>
<p align="center">Section 21 (Amendment of Section 15.1-27-11) Equity Payments</p> <p>This section provides that in determining the statewide average imputed taxable valuation per student for purposes of equity payments, the Superintendent of Public Instruction may not include any school district, which if included in the calculation would have an imputed taxable valuation per student that is three times greater than the statewide average imputed taxable valuation per student and any school district, which if included in the calculation would have an imputed taxable valuation per student that is less than one-fifth of the statewide average imputed taxable valuation per student. In addition, the section clarifies the determination of imputed taxable valuation by providing that the divisor is to be the district's general fund mill levy for the taxable year 2008.</p>	<p align="center">Section 24</p> <p>No change State fiscal effect - The formula revision related to the statewide average imputed taxable valuation per student is estimated to result in an increase in state school aid of \$530,000 for the 2011-13 biennium.</p>	<p align="center">Section 25</p> <p>No change State fiscal effect - The formula revision related to the statewide average imputed taxable valuation per student is estimated to result in an increase in state school aid of \$530,000 for the 2011-13 biennium.</p>
<p align="center">Section 22 (Amendment of Section 15.1-27-35.3) Payments to School Districts - Unobligated General Fund Balance</p> <p>This section provides that federal "education jobs fund" money received by a school district may not be included in a district's unobligated general fund balance for purposes of determining state aid.</p>	<p align="center">Section 25</p> <p>No change</p>	<p align="center">Section 26</p> <p>No change</p>
<p align="center">Section 23 (New Section to Chapter 15.1-27) Supplemental Teacher-Effectiveness Compensation Plan</p> <p>This section provides that a representative organization authorized by a negotiating unit and the board of a school district may agree to pursue a supplemental teacher-effectiveness compensation plan. The negotiating unit may include all teachers employed by the board to teach in the school district or all teachers employed by the board to teach at a particular school in the district.</p>	<p>These provisions were removed by the Senate.</p>	<p align="center">Section 27</p> <p>These provisions were reinserted by the House Education Committee, as introduced.</p>

As Introduced	Senate Version/Fiscal Effect	House Education Committee Amendments
<p style="text-align: center;">Section 24 (New Section to Chapter 15.1-27) Supplemental Teacher-Effectiveness Compensation Plan - Development Committee - Membership</p> <p>This section provides that upon agreeing to pursue a supplemental teacher-effectiveness compensation plan, the board of the school district and the representative organization must form a committee to develop the plan. The membership of the committee must be agreed upon by the board and the representative organization.</p>	<p>These provisions were removed by the Senate.</p>	<p style="text-align: center;">Section 28</p> <p>These provisions were reinserted by the House Education Committee, as introduced.</p>
<p style="text-align: center;">Section 25 (New Section to Chapter 15.1-27) Supplemental Teacher-Effectiveness Compensation Plan - Required Content</p> <p>This section provides that a supplemental teacher-effectiveness compensation plan must include only matters of compensation and it must provide for a determination of compensation that takes into account whether the school district has had difficulty filling a particular position with a suitable and highly qualified teacher, whether a teacher has advanced academic degrees or special skills and knowledge beyond those minimally required for a position, whether a teacher has pursued certified professional development activities beyond those minimally required for a position, and whether a teacher has assumed responsibilities that are beyond those minimally required for a position. It must also take into account various measures of student growth, including academic growth. In addition, the plan must include a rigorous and objective system of teacher evaluation and ensure that no teacher subject to the plan will receive less total compensation than that teacher was eligible to receive under the last negotiated contract.</p>	<p>These provisions were removed by the Senate.</p>	<p style="text-align: center;">Section 29</p> <p>These provisions were reinserted by the House Education Committee, as introduced.</p>
<p style="text-align: center;">Section 26 (New Section to Chapter 15.1-27) Supplemental Teacher-Effectiveness Compensation Plan - Review Panel</p> <p>Each supplemental teacher-effectiveness compensation plan must be reviewed by a committee consisting of two employees of the Department of Public Instruction, two individuals appointed by the North Dakota Council of Educational Leaders, two individuals appointed by the North Dakota Education Association, and two individuals appointed by the North Dakota School Boards Association. The panel must either approve the plan and recommend that the Superintendent of Public Instruction provide funding for the plan or deny the plan and provide suggestions for its modification.</p>	<p>These provisions were removed by the Senate. The Senate also removed \$300,000 provided from the general fund in Senate Bill No. 2013 for the Alternative Teacher Compensation System Review Panel and contracted program adviser.</p>	<p style="text-align: center;">Section 30</p> <p>Each supplemental teacher-effectiveness compensation plan must be reviewed by a committee consisting of two employees of the Department of Public Instruction, two individuals appointed by the North Dakota Council of Educational Leaders, two individuals appointed by the North Dakota Education Association, and two individuals appointed by the North Dakota School Boards Association.</p> <p>Beginning April 1, 2012, the panel must review each plan and then, comparing all eligible plans, recommend for funding those that have the greatest potential to increase teacher effectiveness through supplemental compensation.</p> <p>If the cost of funding all of the recommended plans exceeds the resources made available, the review panel must select for funding plans that were developed in districts of varying size.</p> <p>State fiscal effect - Committee discussion identified a cost</p>

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		<p>of \$4 million, but a funding source is not identified for the supplemental teacher-effectiveness compensation program. In addition, funding of \$300,000 for the Alternative Teacher Compensation System Review Panel, removed by the Senate, would need to be restored.</p>
N/A	N/A	<p align="center">Section 31 (New Section to Chapter 15.1-27) Supplemental Teacher-Effectiveness Compensation Plan - Determination of Funding - Minimum Amount</p> <p>This section provides that if a plan is selected for funding, the Superintendent of Public Instruction must determine the amount to which the submitting district is entitled for use as supplemental teacher-effectiveness compensation. The superintendent must multiply the number of students in average daily membership instructed by the number of full-time equivalent teachers participating in the district's supplemental teacher-effectiveness compensation plan during the 2012-13 school year; multiply the result determined above by a factor of 0.04; and apply the school district size weighting factor.</p> <p>The minimum amount to which a district that submits a selected plan is entitled for use as supplemental teacher-effectiveness compensation is \$2,000 multiplied by the number of full-time equivalent teachers participating in the district's plan.</p> <p>See state fiscal effect note regarding Section 30.</p>
N/A	N/A	<p align="center">Section 32 (New Section to Chapter 15.1-27) Administrative Costs</p> <p>This section provides that a school district may use up to 5 percent of the money it receives for its supplemental teacher-effectiveness compensation plan to pay for any additional expenses it has incurred in administering the supplemental teacher-effectiveness compensation plan.</p>
N/A	N/A	<p align="center">Section 33 (New Section to Chapter 15.1-27) Supplemental Teacher-Effectiveness Compensation Plan - Review Panel - Additional Duties</p> <p>This section provides additional duties for the review panel. The duties include the development and distribution of guidelines pertaining to the creation of supplemental teacher-effectiveness compensation plans; meeting with and advising plan development committees; and advising the Superintendent of Public Instruction regarding the hiring of employees and the selection of contractors whose duties will be related to supplemental teacher-effectiveness compensation.</p>

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<p style="text-align: center;">Section 27 (New Section to Chapter 15.1-27) Annual Report - Required Content</p> <p>This section requires each school district that receives funding to implement a supplemental teacher-effectiveness compensation plan to file an annual report with the Superintendent of Public Instruction and indicate whether the plan has alleviated difficulty filling particular positions, encouraged teachers to pursue advanced academic degrees or acquire special skills and knowledge beyond those minimally required for a position, encouraged teachers to pursue certified professional development activities, or encouraged teachers to assume additional responsibilities. The report also must indicate whether there has been measurable student growth, including academic growth.</p>	<p>These provisions were removed by the Senate.</p>	<p style="text-align: center;">Section 34</p> <p>These provisions were reinserted by the House Education Committee, as introduced.</p>
<p style="text-align: center;">Section 28 (New Section to Chapter 15.1-27) Existing Contracts - Terms - Effect</p> <p>This section provides that a supplemental teacher-effectiveness compensation plan authorized by this Act may take effect on July 1, 2012.</p>	<p>This provision was removed by the Senate.</p>	<p style="text-align: center;">Section 35</p> <p>These provisions were reinserted by the House Education Committee, as introduced.</p>
<p style="text-align: center;">Section 29 (New Section to Chapter 15.1-27) Plan Review Panel - Reimbursement for Expenses</p> <p>This section provides expense reimbursement for each member of the Supplemental Teacher-Effectiveness Compensation Plan Review Panel if the member is attending meetings or performing duties directed by the panel.</p>	<p>These provisions and related funding were removed by the Senate.</p>	<p style="text-align: center;">Section 36</p> <p>This section provides expense reimbursement, but not per diem compensation, to each member of the Supplemental Teacher-Effectiveness Compensation Plan Review Panel if the member is attending meetings or performing duties directed by the panel. See state fiscal effect note regarding Section 30.</p>
<p>N/A</p>	<p>N/A</p>	<p style="text-align: center;">Section 37 (Amendment of Section 15.1-36-02) School Construction Projects - Loans</p> <p>This section increases the amount of school construction loans that a school district is entitled to receive, based on its imputed taxable valuation and alters its interest rate buydown. If an eligible school district's imputed taxable valuation per student is less than 80 percent of the state average imputed valuation per student, the district is entitled to receive a loan equal to the lesser of \$12 million or 80 percent of the actual project cost. A district having an imputed taxable valuation of at least 80 percent but less than 90 percent of the state average imputed taxable valuation per student is entitled to receive a loan equal to the lesser of \$10 million or 70 percent of the actual project cost. A district having an imputed taxable valuation equal to at least 90 percent of the state average imputed taxable valuation per student is entitled to receive a loan equal the lesser of \$4.5 million or 30 percent of the actual project costs. The interest rate buydowns are equal to at least 100 but not more than 250 basis points below the prevailing tax-free bond</p>

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		<p>rates. State fiscal effect - The effect of these changes to school construction loans may result in less income in the coal development trust fund.</p>
N/A	<p>Section 26 (Amendment of Section 15.1-37-01) Early Childhood Education Program - Approval This section limits enrollment in approved early childhood education programs to students who have reached age 4 before August 1 of the year of enrollment.</p>	<p>Section 38 This section limits enrollment in approved early childhood education programs to students who have reached age 4 before August 1 in the year of enrollment. It also clarifies that in determining state aid, the Superintendent of Public Instruction may not count any student enrolled in a regular early childhood education program.</p>
N/A	N/A	<p>Section 39 (Amendment of Subsection 1 of Section 15.1-37-02) North Dakota Early Childhood Education Council This section adds to the North Dakota Early Childhood Education Council the Commissioner of Commerce and an individual representing children with disabilities. It removes a principal and an elementary schoolteacher.</p>
N/A	N/A	<p>Section 40 (Amendment of Section 15.1-37-03) Council Duties This section revises the duties of the North Dakota Early Childhood Education Council. The council is to review the availability and provision of early childhood education, care, and services in this state; identify opportunities for public and private sector collaboration; identify ways to assist with the recruitment and retention of individuals interested in working as providers of early childhood education, care, and services; seek the advice and guidance of individuals who are uniquely familiar with the nature, scope, and associated challenges of providing early childhood education, care, and services in geographically and socioeconomically diverse settings; and develop recommendations pertaining to the short-term and longer-term improvement and expansion of early childhood education, care, and services in the state.</p>
N/A	N/A	<p>Section 41 (Amendment of Section 57-15-14) General Fund Levy Limitations in School Districts This section provides that if a school district experiences a rapidly increasing taxable valuation, that district may levy, for the taxable year of the rapidly increasing taxable valuation and the next taxable year, the amount in dollars which the school district levied for the prior school year plus 18 percent, up to a general fund levy of 185 mills. "Rapidly increasing taxable valuation" is defined as an increase of 20 percent or more in taxable valuation from the immediately preceding taxable year.</p>

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<p align="center">Section 30 Isolated Schools - Transition Payments</p> <p>This section provides transition payments to school districts that had been receiving additional payments because they contained an isolated school but which do not qualify for the isolated payment factor, as proposed under this Act.</p>	<p align="center">Section 27</p> <p>No change. See note regarding Section 20.</p>	<p align="center">Section 42</p> <p>No change. See note regarding Section 21.</p>
<p align="center">Section 31 Transportation Grants - Distribution</p> <p>This section increases state transportation aid to \$1.03 per mile for schoolbuses having a capacity of 10 or more passengers, 46 cents per mile for vehicles having a capacity of 9 or fewer passengers, 46 cents per mile one way for family transportation, and 26 cents per student for each one-way trip. If any money provided for transportation payments remain after application of the formula, the money is to be prorated as transportation payments.</p>	<p align="center">Section 28</p> <p>No change State fiscal effect - Senate Bill No. 2013 provides \$48.5 million from the general fund for transportation grants. The 2009 Legislative Assembly appropriated \$43.5 million from the general fund and provided contingent funding of \$5 million from the general fund for supplemental transportation aid payments.</p>	<p align="center">Section 43</p> <p>This section maintained the payment amounts set forth in the bill as introduced and added a reimbursement of 46 cents per mile, applicable to round-trip family transportation of a student with a disability. State fiscal effect - Senate Bill No. 2013 provides \$48.5 million from the general fund for transportation grants. The 2009 Legislative Assembly appropriated \$43.5 million from the general fund and provided contingent funding of \$5 million from the general fund for supplemental transportation aid payments.</p>
N/A	N/A	<p align="center">Section 44 School District Rapid Enrollment Growth - Grant</p> <p>This section authorizes the Superintendent of Public Instruction to expend up to \$5 million from the grants - state school aid line item for the purpose of providing a grant to any school district that can demonstrate rapid enrollment growth. If the number of students enrolled in a district increases by at least 3 percent annually, and if that increase is equal to at least 25 students, the district's grant equals 30 percent of the per student payment multiplied by the actual increase in its student enrollment. If the increase is at least 7 percent, and the same conditions are met, the district's grant equals 70 percent of the per student payment multiplied by the actual increase in its student enrollment. If the increase is at least 13 percent, and the same conditions are met, the district's grant equals the per student payment multiplied by the actual increase in its student enrollment. A district may not receive more than \$800,000 annually under this section. If the appropriated amount is insufficient, the Superintendent of Public Instruction is authorized to prorate the grants. State fiscal effect - This section provides that \$5 million from the grants - state aid line item included in Senate Bill No. 2013 is to be used for rapid enrollment grants.</p>
<p align="center">Section 32 Use of New Money - Teacher Compensation Increases - Reports to the Legislative Management</p> <p>This section requires the board of each school district to use at least 70 percent of all new money received as per student payments to increase the compensation paid to</p>	<p align="center">Section 29 Use of New Money - Teacher Compensation Increases - Reports to the Legislative Management</p> <p>This section requires the board of each school district to use at least 70 percent of all new money received as per student payments to increase the compensation paid to</p>	<p align="center">Section 45</p> <p>No change from second engrossment</p>

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teachers and to provide compensation to teachers who begin employment with the district on or after July 1, 2011.	teachers and to provide compensation to teachers who begin employment with the district on or after July 1, 2011. The section includes several types of money not listed in the bill as introduced, i.e.: <ul style="list-style-type: none"> • Cross-border attendance money. • Deferred maintenance grants. • Federal education jobs fund program money. • Home-based education program monitoring money. • PowerSchool acquisition money. • Regional education association money and grants. 	
N/A	<p style="text-align: center;">Section 30 Contingent Money</p> <p>This section provides that if any money appropriated to the Superintendent of Public Instruction for state aid payments to school districts remains after the Superintendent complies with all statutory payment obligations imposed for the biennium, the money must be used to provide additional per student payments on a prorated basis.</p>	<p style="text-align: center;">Section 46</p> <p>No change from second engrossment</p>
<p style="text-align: center;">Section 33 Regional Education Associations - Grants</p> <p>This section authorizes the Superintendent of Public Instruction to expend up to \$800,000 from the state school aid line item for the purpose of providing grants to eligible regional education associations in order to assist them with the cost of compensating coordinators. The maximum grant payable to a regional education association under this section during each year of the biennium is the lesser of \$50,000 or 70 percent of the total compensation payable to the coordinator.</p>	The language in this section was added to Senate Bill No. 2013.	N/A The language in this section was added to Senate Bill No. 2013.
<p style="text-align: center;">Section 34 Appropriation</p> <p>This section appropriates \$150,000 to the Department of Commerce for the purpose of providing \$1,200 grants to individuals seeking a child development associate credential.</p>	This appropriation was removed by the Senate.	N/A
<p style="text-align: center;">Section 35 Principal Mentorship Grants</p> <p>This section directs the Superintendent of Public Instruction to expend \$461,500 from the grants - other grants line item in the Superintendent's appropriation bill and contract with a statewide educational organization for the development and implementation of a principal mentorship program.</p>	The related funding for the principal mentorship program was removed from Senate Bill No. 2013.	N/A
<p style="text-align: center;">Section 36 Appropriation</p> <p>This section appropriates \$20,000 to the Superintendent of Public Instruction for the purpose of reimbursing expenses incurred by the Supplemental Teacher-Effectiveness Compensation Plan Review Panel.</p>	This appropriation was removed by the Senate.	N/A

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N/A	<p align="center">Section 31 Contingent Transfer by Bank of North Dakota for Special Education</p> <p>This section provides that if there are insufficient funds with which to fully reimburse school districts for the excess costs of serving the 1 percent of special education students statewide who require the greatest school district expenditures, the Industrial Commission shall transfer the necessary amount from the Bank of North Dakota. Legislation requesting reimbursement of the Bank must be introduced during the 2013 session.</p>	<p align="center">Section 47</p> <p>No change from second engrossment</p>
N/A	<p align="center">Section 32 All-Day Kindergarten - Impact Report</p> <p>This section requires each school district that provided full-day kindergarten during the previous school year to file a report with the Superintendent of Public Instruction indicating the nature and extent of any measurable academic growth experienced by the students who were enrolled in the program.</p>	Removed by the House Education Committee
N/A	<p align="center">Section 33 Legislative Management Study - Teacher Compensation</p> <p>This section directs the Legislative Management to consider studying ways to reform the manner in which teacher compensation is determined, with a view to recruiting, developing, and retaining a high-quality teaching workforce capable of significantly improving student performance.</p>	Removed by the House Education Committee
N/A	N/A	<p align="center">Section 48 Legislative Management Study - Adult Education</p> <p>This section directs the Legislative Management to consider studying the provision and funding of adult education.</p>
N/A	N/A	<p align="center">Section 49 Education Funding and Taxation Committee - Study</p> <p>This section creates the Education Funding and Taxation Committee. The committee consists of the chairmen of the House and Senate Education and Taxation Committees and five legislators appointed by the chairman of the Legislative Management. In addition, the committee has as nonvoting members the Tax Commissioner, the Superintendent of Public Instruction, a representative of the Governor, and two school district business managers. The committee is charged with examining short-term and longer-term state and local involvement in funding elementary and secondary education and is authorized to form workgroups, task forces, and subcommittees to seek additional information and outside expertise. Each member of the committee and any individual requested by the chairman to serve on a</p>

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		<p>workgroup, task force, or subcommittee is entitled to receive reimbursement for actual and necessary expenses incurred in the same manner as state officials and each legislator serving on the committee is entitled to receive per diem compensation.</p> <p>State fiscal impact - The fiscal impact of the Education Funding and Taxation Committee will depend on the number of times the committee meets.</p>
N/A	N/A	<p>Section 50 Supplemental Teacher-Effectiveness Compensation Plans - Exemption - Carryover Authority</p> <p>This section provides that Section 54-44.1-11 does not apply to any money included in the grants - state school aid line item for the purpose of funding supplemental teacher-effectiveness compensation plans during the 2011-13 biennium. Any money not expended by June 30, 2013, must be continued and expended only for the purpose of funding supplemental teacher-effectiveness compensation plans during the 2013-15 biennium.</p> <p>State fiscal impact - Funding remaining in the grants - state school aid line item after, all other obligations, is typically provided to school districts as additional state school aid. In addition, Section 54 provides that the supplemental teacher-effectiveness compensation program will expire June 30, 2013.</p>
N/A	N/A	<p>Section 51 Repeal</p> <p>This section repeals various North Dakota Century Code sections pertaining to professional development. The repeal will take effect on July 1, 2013, in accordance with Section 53.</p>
<p>Section 37 Repeal</p> <p>This section repeals Section 15.1-27-15, which pertains to isolated schools.</p>	<p>Section 34</p> <p>No change</p>	<p>Section 52</p> <p>No change</p>
N/A	<p>Section 35 Effective Date</p> <p>This section makes Section 21 effective on July 1, 2013.</p>	<p>Section 53</p> <p>This section makes Sections 22 and 51 effective on July 1, 2013.</p>
N/A	N/A	<p>Section 54</p> <p>This section sunsets the supplemental teacher-effectiveness compensation program on June 30, 2013.</p> <p>State fiscal effect - See note regarding Section 50.</p>