

HOUSE BILL NO. 1532

Introduced by

Representatives Cory, Kasper, Kempenich, Lefor, Nathe, Porter, Strinden

Senators Beard, Burckhard, Hogue, Meyer, Wobbema

1 A BILL for an Act to create and enact chapter 15.1-39 of the North Dakota Century Code,
2 relating to the establishment of an educational reimbursement program; to provide an
3 appropriation; and to provide an effective date.

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

5 **SECTION 1.** Chapter 15.1-39 of the North Dakota Century Code is created and enacted as
6 follows:

7 **15.1-39-01. Definitions.**

8 For purposes of this chapter, unless the context otherwise requires:

- 9 1. "Parent" means a resident of this state who is a parent, conservator, legal guardian,
10 custodian, or other individual with legal authority to act on a program participant's
11 behalf.
- 12 2. "Program" means the educational reimbursement program created under this chapter.
- 13 3. "Program participant" means an eligible child participating in the program.
- 14 4. "Public school" means a public school in this state which serves students in any grade
15 from kindergarten through grade twelve.
- 16 5. "Qualified education expenses" means the costs for a program participant to enroll in
17 or attend a qualified school.
- 18 6. "Qualified school" means a nonpublic school in the state which accepts program
19 funds, not including a home school.

20 **15.1-39-02. Educational reimbursement program establishment.**

- 21 1. The superintendent of public instruction shall establish and administer an educational
22 reimbursement program to reimburse qualified schools for qualified education
23 expenses of program participants.
- 24 2. To participate in the program:

- 1 a. The parent of an eligible child shall request a program form for the school year
2 from a qualified school in which the eligible child is enrolled; and
3 b. Upon receiving the parent's program form, the qualified school shall:
4 (1) Certify to the superintendent of public instruction proof of the eligible child's
5 enrollment at the school; and
6 (2) Request program funds for the eligible child's qualified education expenses.
7 3. For each eligible school program form received, the superintendent of public
8 instruction shall pay to the qualified school in which the eligible program participant is
9 enrolled a sum ~~not less than fifteen percent and~~ equivalent to the qualified education
10 expenses, but not more than thirty percent of the per-student payment rate under
11 subsection 3 of section 15.1-27-04.1.
12 4. A qualified school that receives funds under this chapter may use the funds only to
13 offset the cost of qualified education expenses the program participant or parent would
14 otherwise be obligated to pay.
15 5. If a program participant is enrolled in a qualified school for less than an entire school
16 year, the qualified school must return to the superintendent of public instruction the
17 funding provided under this chapter for that school year, reduced on a prorated basis,
18 to reflect the shorter enrollment period. The superintendent of public instruction shall
19 deposit with the public school district in which the program participant resides any
20 funds returned under this section.

21 **15.1-39-03. Program participant eligibility.**

22 A child is eligible for the program if the child is:

- 23 1. Eligible to attend public school; and
24 2. Enrolled in a qualified school for any grade from kindergarten through grade twelve.

25 **15.1-39-04. State treasurer duties - Rules.**

26 In administering the program, the state treasurer:

- 27 1. Shall develop procedures and forms necessary to implement the program.
28 2. Shall use a standardized enrollment form to determine a qualified school's and child's
29 eligibility for the program and make the form readily available to the public.

1 **15.1-39-05. Program suspension.**

2 The state treasurer shall suspend a qualified school from the program for failure to comply
3 with applicable law or the program's requirements. The state treasurer shall notify the school in
4 writing that the school's participation in the program is suspended. The notification must specify
5 the grounds for the suspension and state the school has ten business days to respond and take
6 any corrective action ordered by the state treasurer. Following the expiration of the ten-day
7 period, the state treasurer shall:

- 8 1. Declare the school ineligible for the program;
9 2. Order temporary reinstatement of the school's participation in the program,
10 conditioned on the performance of specified action by the school; or
11 3. Order full reinstatement of the school's participation in the program.

12 **15.1-39-06. Fraudulent use of funds - Referral to attorney general.**

13 If the state treasurer obtains evidence of fraudulent use of program funds, the treasurer
14 shall refer the matter to the attorney general for investigation and prosecution.

15 **15.1-39-07. Limitation on regulation of qualified schools.**

- 16 1. The program does not expand the regulatory authority of the superintendent of public
17 instruction, state treasurer, a school district, or any other government agency to
18 impose additional regulations on a qualified school under the program beyond what is
19 necessary by the treasurer to enforce the program's financial and administrative
20 requirements. The treasurer or a school district may not regulate a qualified school's
21 educational program under the program.
22 2. A qualified school may not be required to alter the school's creed, practices,
23 admissions policy, or curriculum to receive reimbursement for qualified education
24 expenses.

25 **15.1-39-08. Applicability.**

26 Funds must be available to qualified schools starting with the 2024-25 school year.

27 **SECTION 2. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION -**

28 **EDUCATIONAL REIMBURSEMENT PROGRAM.** There is appropriated out of any moneys in
29 the general fund in the state treasury, not otherwise appropriated, the sum of \$24,000,000, or
30 so much of the sum as may be necessary, to the department of public instruction for the

1 purpose of establishing an educational reimbursement program, for the biennium beginning
2 July 1, 2023, and ending June 30, 2025.

3 **SECTION 3. EFFECTIVE DATE.** This Act becomes effective on July 1, 2024.