

My name is Tom Kading and I am from District 45 in Fargo. HB 1369 is a bill to create an education empowerment program. The purpose of the program is to help provide options and support for students in North Dakota.

This bill provides the opportunity for those in North Dakota to attend education opportunities other than traditional public education. It provides the opportunity to all, not just those who are wealthy enough to send their children to private education. And it does all this while saving the state money.

The average cost to educate a student in public school costs taxpayers \$16,526. Funding comes from state coffers (the general fund, special funds, etc.) and from the locals. Approximately \$10,036 is the per pupil payment from the state coffers whereas the remainder is from other sources. So, to answer the first question, this bill does not take funds away from schools. What this bill does is provide new funding; new funding for those who are struggling with COVID-19, those wishing to move to private and alternative schooling, thus dealing with bullies, and those who are unsatisfied with what is being taught in public education.

If a child can be sent to alternative education for less than the tax payers cost, the savings to the state becomes exponential and stretches into the hundreds of millions.

This bill provides an amount of funding up to the equivalent of 75% of the per pupil payment (approx. \$7500) for those not attending public education it is up to 20% of the per pupil payment (approx. \$2000) for those attending public education but needing additional educational resources.

This last year we have seen some very concerning things in this country and our constituents are asking for options.

1. First, COVID-19 has had an incredible impact on education. When COVID shut down schools, sports, and other activities this year there was a huge outcry for solutions from parents. Now I am not here to talk about the pros and cons of how the pandemic was handled, rather this is to point out that parents are looking for alternatives. Some parents choose to transition their children to private school, some choose to move to homeschooling, some choose to hire tutors, and some choose to employ a combination. Regardless of parents' decisions, it reflected an apparent reality that public education was not fully equipped to handle the pandemic's catastrophe. By no means is this a slight or an insult against public education, rather it is just a reflection as to the vast impact of COVID-19. I believe DPI and the public education system has worked very hard and have implemented many effective responses.
2. Secondly, this last year we have seen some major socioeconomic changes. We have seen rioting, an economic recession, a crash in oil prices – which effectively fund a huge part of our state budget, and a change in some of the philosophies that are being taught in public education. Across the country, many schools are being told to teach political ideas and concept which not all

who send their children agree. I am going to list a few agendas that have shown up in schools across the country. None of these are reported from North Dakota schools, and again, this is not a slight against the North Dakota school system, it is just a reflection of some of the national trends that are pushing North Dakota parents to look for options outside of public education. Some of the ideas being pushed include things like:

- a. I quote: "embrace and encourage progressive viewpoints and perspectives" This was from an Illinois policy.
- b. Another aim of the Illinois policy was to push quote, traditionally religious and/or conservative teachers are commanded here to affirm against conscience that there are a vast number of genders and highlight that claim in their teaching.
- c. Others have promoted the belief that capitalism is racist.
- d. Some in Minnesota are even pushing to drop World War 1, 2 and the Holocaust curriculum in favor of certain social justice teachings.

The reality is, no matter the curriculum, there is a significant division in our country and public education is not a one size fits all. There are many different religious and political perspectives as to education.

Further, bullying is especially problematic when it comes to such differences.

3. The growth in alternative education and private education has exploded this last year. This may be due to COVID, disagreement with social agendas being taught, or just a general trend towards non-public education. Either way, this is a clear trend that indicates our constituents do not want to be bound to only public education as an option. By not providing for options for all of our children, we are in effect determining that those with less financial means and less resource are bound to public education while those with more financial means have opportunity.

Now the money being used in this bill to fund these opportunities is new money. It is not money that is taken from schools. It is new money. There have been a few conversations with appropriations, and the answer hasn't been no. They said they will take a look if we can get it through this committee. If this committee believes we should provide options for those suffering from COVID, those looking for alternatives, if it believes people with different religious or political backgrounds should be given an option, and that the growth in private and alternative schooling applications indicate a trend from our constituents, pass this bill onto appropriations so that the money can be found.

I want to talk a little bit about how the bill works.

1. The funding for public school children may be up to 20% of the child's per pupil payment.
2. The funding for public school children may be up to the equivalent of 75% of the child's per pupil payment.
3. This amount is a cap it is not the minimum. For example, if there are more students that apply, the payment amount may be less.

4. The 20% amount which is available to those in public education is meant to help with needs that are not fully being met by public education. Things like additional tutoring or additional resources can be purchased with this 20%.
5. My intent was for payments to be made directly to providers of educational resources rather than the parents, but it has been brought to my attention that payments may be needed to be written to the parent and the resource provider. This is due to a recent court ruling.
6. DPI will oversee and implement the program. DPI will set the standards for providers, set the standards for allowable expenses, and generally set policy for the program. DPI is best positioned for this and can best serve our students.
7. Allowable expenses are described in 15.1-39-05. The Qualified expenses have been significantly narrowed to ensure there is little risk of abuse.
8. Means for auditing, suspension of accounts, and referral to the attorney general for fraudulent behavior are included in the bill.
9. To carry out the program, an appropriation of \$200,000 is for DPI to implement. Kirsten Baesler and I have had in depth discussions regarding the bill and the agency would need approximately \$100,000 for three years to set the program up. My intent is to provide for it, but as we all know we can only bind the next 2 years. I would hope the next legislative session would allow for the remaining \$100,000.
10. The second appropriation in the bill is \$5 million for the program itself.

As I previously noted, the answer from appropriations is not a "no." I urge you as a committee to not focus on the appropriation, but rather look at the policy to make sure it is consistent and makes sense. This bill provides for important needs to our students which have become even more apparent given COVID, given various socioeconomic changes, and the trend towards alternative education. There are a few amendments which have been prepared to ensure there are no structural issues with the bill. Please consider them and those who speak behind me will go into any questions regarding them. As you will see in following testimony, this concept has received wide spread support, please consider it favorably. Thank you and I am happy to stand for questions.