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HB 1369 **Testimony of Amy De Kok Senate Education Committee** March 17, 2025

Chairman Beard and members of the Senate Education Committee, my name is Amy De Kok, and I am the Executive Director for the North Dakota School Boards Association (NDSBA). NDSBA represents all 168 public school districts and their governing boards. I am here in support of HB 1369 with a few additional requests. As a strong advocate for K-12 public education, NDSBA appreciates the Legislature's commitment to ensuring that all students in North Dakota receive a quality education through a wellfunded and equitable school finance system. HB 1369 is a crucial piece of legislation that seeks to sustain and enhance our public education funding. While we fully support its intent, I respectfully urge the committee to consider amending the bill in the following ways:

Increase Per-Pupil Payment to 4% Annually

The current version of HB 1369 provides for a 2% increase in per-pupil funding for each year of the 2025-2027 biennium. However, given the available financial resources, I respectfully request that the committee increase the per-pupil payment by 4% each year. North Dakota has a unique opportunity to make this adjustment without requiring additional general fund dollars due to increased revenue streams:

- Higher input from the Common Schools Trust Fund provides a significant boost to education funding.
- K-12 turnback funds from last session create additional capacity to enhance per-pupil funding while maintaining fiscal responsibility.

A 4% increase would allow schools to better address inflationary pressures, attract and retain high-quality educators, and provide the necessary resources for student success.

Increase EL and SPED Weighting Factors

In addition to adjusting the per-pupil increase, I urge the committee to increase the weighting factors for English Learners (EL) and special education students in the funding formula. These student populations require additional resources and support services to ensure they receive the quality education they deserve. By adjusting these weighting factors, school districts will be better equipped to:

- Hire and retain qualified EL and SPED educators.
- Provide necessary instructional and support services.
- Address the growing demand for specialized education programs.

Restore \$100 Million for School Construction Loans

HB 1369 currently provides for a \$75 million transfer from the Foundation Aid Stabilization Fund to the School Construction Assistance Revolving Loan Fund. However, this amount was originally proposed at in the bill's initial draft. I respectfully request that the committee amend the bill to restore the full \$100 million transfer to better meet the ongoing and urgent facility needs of school districts, particularly in rural areas.

Many schools, especially in rural North Dakota, are operating in outdated or deteriorating buildings that no longer meet modern safety, efficiency, or instructional standards. Rising construction costs make it difficult for districts to finance necessary renovations or new construction. Providing low-interest loans through the School Construction Revolving Loan Fund enables districts to address these needs without placing an excessive burden on local taxpayers. Restoring the original \$100 million allocation would provide a stronger and more flexible funding source for school districts in desperate need of facility improvements.

Conclusion

By amending HB 1369 to: (1) increase per-pupil funding by 4% annually, (2) enhance EL and special education weighting factors, and (3) restore the full \$100 million transfer for school construction loans, the Legislature can make a lasting impact on North Dakota's public education system. These adjustments are fiscally responsible, address the real needs of our students and educators, and ensure that schools—especially in rural areas—have the resources and infrastructure necessary to provide a high-quality learning environment.

I respectfully ask for your consideration of these amendments and appreciate your dedication to the future of North Dakota's students. Thank you for your time and commitment to strengthening our public education system.