

### HB 1388 Testimony

Chairman Schaible and members of the committee, for the record my name is Brandt Dick, Superintendent of Underwood School District, North Dakota Small Organized Schools's Board President, and North Dakota Association of School Administrators Legislative Focus Group finance chair. I am here to speak in support of HB 1388.

HB 1388 was adjusted to have no increase in the per pupil payment. I would ask that the original form of the bill, which included a 1% increase on the per pupil payment be reinstated. This will be needed for school districts to be able to negotiate with teachers, as a 1% would be a long-term increase, not one-time revenue. This would also help decrease the amount of cuts that transition minimum schools will be dealing with in the next 7 years.

Underwood is a transition minimum school district in that we receive an additional \$345,536 than if we were on the formula. As presently written, this amount will be cut by 15% cut for the first 6 years, with year 7 being a 10% cut to get these school districts onto the formula. One amendment that would be appreciated by these 94 school districts would be if we could have the 10% cut in year one, then an additional 15% each of the next 6 years to get onto the formula. This could be accomplished by changing the word "fifteen" to "ten" in line 31 of page 11. Also, line 18 of page 12 would have to be adjusted from "fifteen" to "ten" as well as page 19, line 20 would need to adjust to "ten" percent. Line 31 on page 12 would have to be adjusted from "thirty" to "twenty-five", also on page 20, line 2 would require the same adjustment. This last session, these cuts were put into place and we were given a 2 year pause before these cuts were implemented. The money the state saves from these cuts is what is being used to fund additional weighting factors. After much study, weighting factors adjustments are the best idea to help smaller school districts get onto the formula and stay on the formula.

This bill also has a formula found on page 9 lines 6-14 to put K-6 and K-8 schools onto the formula by utilizing the same weighting factors as K-12 schools. This section may need to be amended as there are a few schools that this formula would cut their weighting factors. If these elementary districts grow in number of students, their kids could generate less than 1.00 weighting factor. This could be accomplished by striking lines 11-14, which would assure no student would generate less than a 1.00 weighting factor.

While this bill will mean budgetary pain for the transition minimum schools for the next 7 years, it does provide help for the smallest rural school districts that have been helped by these transition payments, yet I do understand that transition is a word meaning there will come a time when that will go away, which would be 7 years. I hope this committee will strongly consider the amendments proposed at these will help the transition minimum schools as well as the K-6 and K-8 schools. I will stand for questions.