

1 Testimony in Support

2 HB 1300

Chairman Heinert and members of the House Education Committee...representing
NDCEL and your educational leaders across North Dakota, we come to you in support
of HB 1300.

In North Dakota, the building and maintenance of K12 school buildings is primarily the 6 responsibility of the local taxpayer – while the state generally takes care of higher 7 8 education buildings. In K12 education we recognize there must be a mechanism in each district that operates a building to manage deferred maintenance. As we've discussed in 9 the funding formula based on the 2012 Odden Report which set the stage for our funding 10 formula for academics, the per-pupil payment was meant to manage the ability to offer 11 a core of academics. It is important to remember what the state funds and what it does 12 not. Extracurricular activities are not funded. Buildings are not funded. Transportation 13 is only funded at 40%. Nor was the formula designed for building upkeep or 14 maintenance. Furthermore, as an instructor at the University of Mary that teaches 15 school facilities, one of the greatest preventative measures of costly building replacement 16 17 or large-scale renovation, is appropriate maintenance and upkeep. However, as funds are tight in many communities and districts, and some simply do not have voter approved 18 19 levying authority (about 40 districts) we are seeing deferred maintenance issues grow statewide. 20

21 Deferred maintenance can have a major impact on occupant safety, asset performance,

- 22 and risk of unexpected breakdowns. As facility maintenance tasks are pushed further
- 23 out, the condition of that asset or part will continue to worsen. In the short-term, this

for all students in North Dakota.



creates situations where unexpected breakdowns are more likely. Long-term, this can
shorten an asset's useful life, and require a renewal or replacement sooner than
expected. There is also a cost benefit to consider when prioritizing deferred
maintenance tasks. Proactively completing maintenance tasks is always less expensive
than dealing with bigger issues later. However, how is a school able to do this at the
appropriate level if they have no revenue stream dedicated to that? That is the purpose
of this bill.

8 What is being asked for here is a very small levy authority, but it would account for the ability to fund a reasonable maintenance plan in a K12 school building in a district that 9 10 has not been able to get levying authority into their building fund. In the senate, we heard another bill that didn't take this approach but did address the incredible 11 challenge that is in place in these schools that don't have a fund. You may be surprised 12 to know this is in communities that have readily voted to build a new building with 13 over 60% voter approval but oddly enough will not approve a vote to keep the 14 buildings in good condition at a vote of a simple majority. 15 We ask that the legislature consider this as a reasonable option to assist those 16 remaining districts who need to be able to take care of their aging buildings. In the 17 long run this wisdom will likely be a cost savings to communities and the local tax 18

19 payer.

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