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HB 1376 **Testimony of Alexis Baxley House Finance & Taxation** January 24, 2023

Chairman Heinert and members of the House Education Committee, my name is Alexis Baxley. I am the executive director of the North Dakota School Boards Association. NDSBA represents all 170 North Dakota public school districts, their boards, and several multi-district special education units.

NDSBA opposes HB 1376. While we appreciate the flexibility virtual education has provided to public schools in North Dakota and their students, we believe HB 1376 has gone too far.

First, by removing a local districts ability to approve the enrollment of its students in a CDE program, this bill takes away local authority, and yet, expects the local district to cover the cost.

In section 2, the bill requires districts to permit students to enroll in any virtual education program of their choice and removes any deadlines for doing so. This is problematic for all schools, but particularly small schools. The ability of a student to transfer at any time will negatively impact a district's ability to predict its enrollment and budget. What happens if a student opts to leave in the middle of school year? The bill does not provide a mechanism to account for a student who has already been counted in their home district's ADM leaving mid-year.

Section 3 of the bill completely removes the application deadline and required timeframe for boards to a consider open enrollment applications. With this change, students would be able to open enroll in any district at any time, including mid-school year. This would also impact the home district's ability to predict its enrollment, which will, in turn, lead to budgetary and hiring concerns. The bill also does not take into consideration the costs of educating these students by the receiving district. NDCC chapter 15.1-29 addresses the education of students from other districts and provides requirements for payment of tuition if a student is educated by a district other than their home district. This chapter addresses those circumstances where a student wishes to attend a school district other than their home district but is unable to open enroll (either because the student has missed the deadlines or the receiving district has closed open enrollment). If HB 1376 were to be adopted, this chapter would largely be rendered irrelevant. If a student must not follow any deadlines and a school district has no choice whether to release or accept a student, why would student petition for a tuition agreement? Without a tuition agreement, transfers under this section could leave a district with less - or more - state aid than they are entitled to based on the funding formula.

The bill also limits a districts ability to deny open enrollment based on capacity and completely eliminates the ability to close open enrollment. Currently, school districts have the ability to decide whether they are accepting open enrollments or are effectively "closed." Once a district opts to accept open enrollments, there are limited acceptable reasons to deny an application for enrollment. The reasons are limited, but important. Removing a district's ability to choose whether they are open or closed AND further limiting a district's ability to deny an application due to program capacity will negatively impact these schools. Program capacity is just as necessary as school and grade level capacity. A receiving district forced to accept an open enrolled student it did not budget nor plan for in an already full program will be less able to effectively serve its current students.

For these reasons, NDSBA stands in opposition to HB 1376 and encourages this committee to give it a do not pass recommendation. Thank you for your time, and I will stand for any questions.