



SPECIAL EDUCATION FUNDING COMMITTEE

Wednesday, May 6, 2026
Roughrider Room, State Capitol
Bismarck, North Dakota

Representative David Richter, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives David Richter, LaurieBeth Hager, Karla Rose Hanson, Jim Jonas,* Scott Louser, Eric J. Murphy, Anna S. Novak,* Senators Michelle Axtman, Todd Beard, Josh Boschee; Citizen Members Brandon Baumbach, Lindsey Dirk, Justin Fryer, Shawn Huss, Rhandi Knutson, Carly Retterath, Beth Slette, Sheri Twist

Member absent: Citizen Member Brandt Dick

Others present: Senator Brad Bekkedahl, Williston, member of the Legislative Management Stanley Schauer, Jr. and Adam Tescher, Department of Public Instruction
See [Appendix A](#) for additional persons present.

**Attended remotely*

It was moved by Senator Axtman, seconded by Senator Boschee, and carried on a voice vote that the minutes of the March 4, 2026, meeting be approved as distributed.

READING AND MATHEMATICS PROFICIENCY STUDY

Mr. Stanley Schauer, Jr., Interim Assistant State Superintendent, Data and Assessment Office, Department of Public Instruction, provided information ([Appendix B](#)) regarding the most recent mathematics and English language arts achievement on the state assessment, which is the North Dakota Academic Progression of Learning and Understanding of Students (ND A+), for students with disabilities compared with students without disabilities. He noted:

- The participation rate for the ND A+ and the ACT is consistently approximately 95 percent of students.
- Less than 1 percent of ND A+ testers, those with severe cognitive disabilities, take the alternative assessment.
- The department began using ND A+ in spring 2025.
- By comparison, the National Assessment of Educational Progress participation rate is approximately 1,000 to 2,000 students per state.

In response to questions from committee members, Mr. Schauer noted:

- For the ND A+, local educators select assessment items from a vendor bank, assign the items to state standards and grade levels, and establish cut scores for the four performance levels: novice, approaching proficient, proficient, or advanced.
- North Dakota's standards are rigorous compared to most other states, meaning a student who scores in the proficient range on the ND A+ may score in the advanced range on a national assessment such as the ACT.

- The Kindergarten through Grade Twelve Education Coordination Council set a goal to reduce disparity in achievement for students with disabilities by 12 percent each year for 5 years, but the reduction in disparity has been more gradual while still demonstrating progress.
- A reduction in the number of students who are novice and an increase in the number of students who are approaching proficiency would demonstrate progress, even if the number of students who are proficient did not increase.
- Some students struggle to achieve proficiency in mathematics because expectations and rigor increase in middle and high school.
- Struggling students may have better learning outcomes by taking more than 4 years to complete high school, although that would negatively affect graduation rates, which are measured in the state by determining the percentage of first-time ninth grade students who graduate with a regular high school diploma in 4 years.

Committee discussion indicated students with disabilities experienced less learning loss during the COVID-19 pandemic because the federally required services for students in an individualized education program continued throughout the pandemic.

SPECIAL EDUCATION FUNDING STUDY

Mr. Brandon Baumbach, Business Manager, Grand Forks Public Schools, presented information ([Appendix C](#)) regarding special education funding and the funding formula. He noted:

- The 0.088 special education weighting factor is applied to a school district's total enrollment to determine the amount of additional formula funding allocated to a school district for special education regardless of the number of students with disabilities.
- The number of students with disabilities in Grand Forks Public Schools has increased by 43.6 percent over approximately a decade while the increase in the total student population increased by 6.2 percent over the same period.
- From 2016 to 2019, total enrollment decreased by 2.3 percent while students with disabilities increased by 11 percent, resulting in a decrease in special education funding while special education expenses increased.
- Special education services are required under federal law; local revenue sources cover any gap in funding at a cost to other school district general fund priorities.
- The ratio of local share of expenses to state share of expenses for special education services is nearly inverse compared with regular education expenses at 29 percent state and 61 percent local.
- A cost-based reimbursement method through the existing student contract system would provide funding more responsive to actual needs and accountability.

Representative Hanson presented information ([Appendix D](#)) provided by Ms. Rosemary Hardie, Director of Special Education, Wahpeton Public School District, regarding the special education funding gap at Wahpeton Public Schools. She noted:

- District special education expenditures have increased by more than \$368,000 over 3 years while state funding has increased by nearly \$78,000 over 3 years.
- The increase in special education costs is driven largely by the growing need for highly specialized staff including speech-language pathologists, board-certified behavior analysts, and special education teachers.
- The threshold for reimbursement of high-cost students requires school districts to bear a significant cost before reimbursement.
- The number of students captured by the current threshold for reimbursement of four times the cost to educate a student does not meet the 1 percent requirement.

- Reducing the threshold to three times the average cost per student would capture more students.
- Increasing the special education weighting factor from 0.088 to 0.174 would reflect actual expenditures.

In response to questions from committee members, Mr. Adam Tescher, School Finance Officer, Department of Public Instruction, noted:

- School districts served 18,415 special education students and were reimbursed for 146 high-cost students during the 2024-25 school year; 146 students is nearly 1 percent of 18,415 students.
- If the threshold for high-cost student reimbursement was 3.5 instead of 4, the cost would increase by approximately \$8,000 per contract, or \$1.2 million total.
- For each increase of 0.001 to the special education weighting factor, the cost increases by \$3 million per biennium.
- The Legislative Assembly appropriated \$22 million for high-cost students for the 2025-27 biennium.

Committee discussion indicated:

- A recognition that the data indicates the funding provided by the state does not cover the cost of providing special education and creates a burden for the local political subdivision.
- A reimbursement model does not necessarily have to provide 100 percent reimbursement for special education services.
- A desire for state funding for regional facilities.
- Existing strategies include cost-sharing in multidistrict units.
- A desire for information related to the ways in which teachers' professional duties can be made less stressful and more enjoyable without increasing salary.
- Reduced teacher workloads often require additional staff who must be paid.
- A desire to provide incentives from the state for early intervention and meeting least restrictive environment targets.
- A desire to increase professional development for paraprofessionals and provide support to paraprofessionals who wish to become licensed teachers.
- A desire for state reimbursement for a teacher education pathway provided by the school district.

No further business appearing, Chairman Richter adjourned the meeting at 2:46 p.m.

Sheila M. Sandness
Senior Fiscal Analyst

Liz Fordahl
Counsel

ATTACH:4