



1 **Testimony in Opposition to Senate Bill No. 2303**

2 Chairperson and Members of the Committee - Thank you for the opportunity to testify today. I'm  
3 here representing NDCEL and your school administrators and I strongly oppose SB 2303 due to  
4 its detrimental impact on public education, its unconstitutional redirection of public funds, and  
5 its lack of oversight and accountability.

6 **Unconstitutional Use of Public Funds**

7 This bill violates the North Dakota Constitution, which explicitly prohibits public funds from  
8 being appropriated to private or sectarian schools (Article VIII, Sections 1 and 5). The creation  
9 of education savings accounts (ESAs) diverts taxpayer dollars from public schools to private  
10 institutions, effectively undermining the state's obligation to provide free and equitable public  
11 education. Public funds should be invested in strengthening our public schools, not subsidizing  
12 private choices that operate outside of state oversight. The fiscal note diverts almost \$250M not  
13 just from public schools but from every sector funded by the state. This comes with a cost to  
14 continue in future years which poses additional fiscal concerns for the future.

15 **Diverting Public Funds Without Accountability**

16 Public schools are held to rigorous accountability measures, including open records laws,  
17 standardized testing, and non-discrimination policies—requirements that private schools and  
18 education service providers benefiting from ESAs do not have to meet. This bill allows taxpayer  
19 money to flow to private entities without ensuring they meet the same academic, financial, or  
20 ethical standards as public schools. The absence of clear oversight creates significant risks of  
21 fraud, mismanagement, and inequitable educational outcomes.

22 **Negative Impact on Public School Funding**

23 SB 2303 reduces state aid to public schools by siphoning funds to education savings accounts.  
24 As public schools lose funding, they face budget cuts that harm students, teachers, and programs.  
25 The funding formula outlined in the bill means that local school districts will receive less per-  
26 pupil funding, exacerbating disparities between well-funded and underfunded districts. At a time  
27 when public schools are already facing financial pressures, this bill further weakens their ability  
28 to provide quality education for all students.

29 **Lack of Protections for Students and Families**



1 Private schools and education service providers participating in the ESA program are not  
2 required to adhere to the same academic and civil rights protections as public schools. This  
3 means they can deny admission based on academic ability, special education needs, or other  
4 criteria, potentially leaving vulnerable students without adequate educational options.  
5 Additionally, the bill does not provide sufficient safeguards to ensure that funds are spent  
6 appropriately, increasing the risk of waste and abuse.

### 7 **Undermining Rural Schools**

8 The bill disproportionately harms rural school districts, where private school options are limited  
9 or nonexistent. Because public schools in these areas rely heavily on state funding, any reduction  
10 in per-student funding can be devastating. Students in rural communities deserve well-funded  
11 schools with robust educational opportunities, not policies that divert resources away from them.

### 12 **Significant Cost to Taxpayers**

13 The proposed ESA program comes with a substantial financial burden, shifting public dollars to  
14 private entities with little return on investment. Rather than addressing issues within the public  
15 school system, this bill creates an expensive and inefficient program that weakens public  
16 education while failing to provide meaningful oversight of taxpayer dollars. I'm guessing if we  
17 polled North Dakota citizens, they'd prefer \$250M in property tax relief over funding for  
18 education outside of public schools. In fact recent polling shows that to be true with 70% of  
19 those polled.

### 20 **Conclusion**

21 Public education is a fundamental public good that must be preserved and strengthened. I  
22 strongly urge the committee to reject this bill and instead focus on policies that enhance, rather  
23 than dismantle, our public education system.

24 Thank you for your time and consideration. I welcome any questions the committee may have.