

1 Testimony in opposition to SB 2400

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3 Chairman Beard and Members of the Committee, my name is Mike McNeff, and I serve as
4 Superintendent for Rugby Public School District. I appreciate the opportunity to testify in
5 opposition to Senate Bill 2400, which seeks to establish an Education Savings Account (ESA)
6 program that diverts public education funds to private institutions with little accountability,
7 financial transparency, or equitable access for all students.

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9 As a fiscally responsible, conservative state, North Dakota must ensure that taxpayer dollars are
10 used responsibly and fairly. SB 2400 fails to meet this standard by creating an ESA program
11 that allocates up to \$4,000 per student for private school tuition, while public school students
12 receive just \$1,000. This structure prioritizes private education at the expense of the public
13 school system, which serves 90% of North Dakota's students.

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15 SB 2400 creates a funding disparity that favors private school families over public school
16 students. Under this bill, private school students could receive up to \$4,000 per year depending
17 on family income, home education students would receive \$1,000, and public school students
18 who already attend taxpayer-funded institutions would receive only \$1,000. This unequal
19 distribution of state aid disadvantages the vast majority of students in North Dakota. If the goal
20 is to support all students, then any ESA program should provide the same flat dollar amount for
21 all 127,500 students in the state, whether they attend public, private, or home school.

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23 Unlike public schools, which must adhere to state curriculum standards, testing requirements,
24 and financial audits, SB 2400 allows taxpayer dollars to flow into private institutions with no
25 guarantee of oversight. There are no academic performance requirements for private schools
26 receiving ESA funds, no mandated financial transparency to ensure funds are spent
27 appropriately, and no requirement that private schools receiving ESA funds accept all students,
28 meaning they can exclude students with disabilities, behavioral challenges, or special education
29 needs. Public education funding must be held to a higher standard of transparency. If taxpayer
30 dollars are used to fund private education, those institutions must follow the same regulations as
31 public schools.

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33 North Dakota's 170 school districts include many rural communities that lack private school
34 alternatives. SB 2400 disproportionately benefits families in urban areas where private schools
35 exist, while rural students receive no meaningful school choice. Public school districts in rural
36 areas will still be required to operate and provide services to all students, but with reduced state
37 funding. Rural students will be left with fewer resources, larger class sizes, and diminished
38 opportunities due to state aid being diverted to private education options that do not exist in their
39 communities. We should not incentivize urban areas at the expense of rural schools. If the goal
40 is true fairness, every student in North Dakota should have access to the same level of funding.

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42 North Dakota's Article VIII, Section 5, and Article X, Section 18 explicitly prohibit the use of
43 public funds for sectarian schools. SB 2400 indirectly directs state funds toward private religious
44 education, raising legal concerns and potential constitutional challenges.

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46 If North Dakota is going to invest in education, funds should be accountable, transparent, and
47 equitably distributed to benefit all students, not just a select few. SB 2400 fails to meet this
48 standard by disproportionately favoring private schools, reducing resources for public education,
49 and creating a two-tiered system that disadvantages rural and public school students. I urge you
50 to oppose SB 2400 and any legislation that weakens public education by diverting funds to
51 private institutions without accountability, oversight, or fairness. Thank you for your time and
52 consideration. I am happy to answer any questions.