

TESTIMONY IN SUPPORT OF SB 2400

Sen. Michelle Axtman

Senate Education Committee

Wednesday, February 5, 2025

Mr. Chairman and members of the Senate Education Committee-

For the record, I am Senator Michelle Axtman, representing District 7. I am here to present Senate Bill 2400, which establishes a framework for a first of its kind educational savings account program in North Dakota.

I will start by explaining how SB 2400 got here today. In the 68th legislative session, we passed HB 1532, commonly known as the "voucher bill". However, Governor Burgum vetoed the bill stating that it "did not go far enough". I can now say, he was most definitely correct. Following his words, I dedicated my time the last year and a half to truly studying what educational opportunities could look like in North Dakota if we really got it right. Thankfully I had lots of examples to study as many states have implemented vast varieties of educational opportunities, allowing me to learn from their first attempts and their growth over the years. I met with educational leaders across our state and took into account their inputs and concerns. I analyzed every state's multiple programs from micro grants, to vouchers, to tax credits scholarships, to tax deductions, to educational savings accounts. I found things I liked in each program, things I didn't like in each program, and things I felt were missing in each program. The one thing I kept getting hung up on was that several states prided themselves on a "universal" ESA. However, what that really means is that their ESA funds are universal only for those students who first opt out of the public school system. I decided

to work towards a bill that broke the mold, an educational opportunities framework that was for ALL students, truly "universal". Senate Bill 2400 would do just that, making North Dakota the first state to have an ESA program that also supports all public school students.

I would like to now move into the details within SB2400. It would establish an educational savings account program, administered within the department of public instruction. The ESA framework within SB2400 is a tiered program. The 3 tiers are laid on starting on page 4, section 6. The first tier of the program would apply to all public school students, and they would all receive \$1000 to be used to select serviced tailored from an online marketplace to meet their individual needs or interests, to enhance or supplement their public school education. Students do not learn in a one size fits all approach, and that demand has transferred to our school systems, trying to meet these unique individual needs. Having these funds go directly to the individual child allows every family to make the decision in what services can best help their child meet learning goals. I saw how this can play out in micro grants in other states and I saw school leaders create partnerships with contracted services selected by parents to help students make incredible gains. The second tier of the program would apply to students who are enrolled in a non-public participating school. Students whose families household income is within 200% of the federal poverty level would receive \$4000, students whose families household income is within 400% of the federal poverty level would receive \$2500, and families above the 400% would receive \$1000. This means-based tiered structure was chosen to truly give families who would not be able to afford tuition a chance to choose the best environment for their child to learn. In this tier, if a family chooses to use the funds towards a tuition payment, the student would be required to partake in the ND state assessment. The third tier in the program would be for home-education students. They would receive

\$1000 in their ESA marketplace to be used to enhance or supplement their home education through maybe an online language course or services from a specialist for speech or dyslexia therapy.

This ESA program would be executed through a high quality online digital wallet. This online marketplace would have only educational services that are researched, scrutinized, and individually approved by the department. Parents can log on and shop for either local services or virtual options that best fit their own child's needs. I would like to highlight a few unique items that SB2400 adds as qualifying expenses within the ESA marketplace. These two items would be firsts across the nation, mental health assistance and school meals.

Now I know that you heard many arguments yesterday both for and against ESAs. I know that again we will hear arguments that our private schools should not take funds because they do not take all students with disabilities. But today, you will also hear from the founder of a private school, right here in ND, whose mission is to educate students with special educational needs. I think it is time to set that argument aside and instead focus on how we could build a system that collaborates and partners together to best educate these students. Today you will hear the arguments against accountability, however, you will also hear about the high standards we do require of our non public schools and you can see the even added increased standards within the bill. You will hear arguments that school choice does not help rural communities, however, you please look at the list of the array of items that will be on the marketplace. For our rural schools whose students may not have access to certain language courses such as French class, a coding class, or even certain services like an occupational therapist, this bill provides funds for a family to choose that. You will hear from home educated families who feel that this ESA could make a difference

in their child's educational outcomes. You will hear from national research experts on the data regarding the national landscape and national take up rates. I have taken the opportunity to speak about this bill with many of my fellow parents across the state, from the public, private, and homeschool sectors, and not one of them brought up the arguments you may hear today, rather they all were excited about the increased opportunities this offered for their children and the future of our State as a whole. This bill isn't about one educational option over another, this bill is about each and every North Dakota student.

We heard yesterday from Superintendent Baesler the details of the Presidential Executive order on Education Opportunity. I would like to reiterate her comment that the " the Order makes it clear that at the federal level school choice is no longer a question of "if" but "how". I urge you to consider SB 2400 to be that framework of "how".