



**HB1369 – Educational Empowerment Program – (Education Savings Accounts/Vouchers)
Testimony in Opposition
North Dakota Council of Educational Leaders – Dr. Aimee Copas
January 25, 2021**

Good day Chair Owens, Vice Chair Schreiber-Beck and members of the House Education Committee. For the record, my name is Aimee Copas and I serve as the Executive Director for the ND Council of Educational Leaders.

I stand before you today representing your school leaders recommending to you that take pause before considering this bill to be the solution to education some of you may be searching for. For the past 3 sessions we've come together to discuss various versions of this bill. In addition to this, we continue to have the debate about whether our students are graduating from high school - college, career, and life ready. We discuss remediation rates and techniques by which we are attempting to help our students succeed. We discuss the perceived stagnant growth of public education. I propose the idea that reinvesting dollars into concepts that currently exist in North Dakota that have not shown markedly different results academically may not be the best way to approach the problem. I propose that we look at real innovation to be the beginning of the solution. Rethinking how we look at the educational day, space, and pace may be a more fruitful conversation for the public, private, and home school environments.

On its face there are issues with this bill that cannot be reconciled. I could spend the better part of an hour digging into the many issues that I can see in this bill, but I will focus on the fiscal side. The reality is that this bill will cost our state an enormous amount of money...perhaps not in the first year, but certainly in the not so distant future. It creates disparities in funding and disparities in equity based on the rural vs. urban application of much of the opportunity. Please allow me to explain the fiscal piece further.

Currently we provide a per pupil payment to our schools for our approximately 113,000. That number does not include the approximately 7500 private school children and approximately 5000 home school children. 90% of all students in North Dakota attend school at a public institution.

NDCEL is the strongest unifying voice representing and supporting administrators and educational leaders in pursuit of quality education for all students in North Dakota.

Executive Director: Aimee Copas-----Assistant Director: Russ Ziegler



The investment into these savings accounts would not appropriately account for the true cost of education and diverges from this state's tradition of funding public schools. While I appreciate that this bill attempts to diverge funds into the hands of public school parents as well – it sets up a system of funding that is not only unaffordable, but sets up a very real system of inequalities regarding accountability.

Let's just discuss fiscal notes. The appropriation under Section 3 of this bill we believe is understated. Understanding this seems to target students in grades K-5, let's talk numbers.

Public school direct funding would be reduced by 20%. That funding would then be diverted to parents. This funding is targeted at the elementary school level which accounts for about 50% of our kids. Local districts which have been prohibited by law to charge for services would either need to challenge current court precedent which has been executed and long standing (Example: Cardiff v. Bismarck Public Schools (1978). Or they would need to distinctly cut services performed – cuts typically are staff and program cuts. When special needs students are already underfunded by 50%, that cut to funding and inability to recoup revenue would be ghastly detrimental. Furthermore, the many times our state has been in litigation over equity in public school funding would be again called into question.

Beyond that the cost to the state to deposit the funds into public school families accounts would be at the cost of \$106,239,089. While this is a divergence of already spent funds, the end result would be a huge loss of services to about 50% of our ND elementary children.

If you calculate the number of private school students and the number of home school students and multiply that number by the 75% of the per pupil payment that will be given to them (that is currently not given to them at this time) the **NEW investment** by our state could be as high as (considering about 50% of the approximately 12500 private/home school students)

- **\$94,087,500 per biennium (\$47,043,750 per year)**
 - (7500 private school children + 5000 home school children / 2 = about 6250 students x \$7527 (75% of the current \$10036 per pupil payment)). This is considering the minimum amount. If there were a consideration of the funding of a special needs child – that amount would get higher with a question in place whether the services could be provided at venues outside of our public-school



systems that would meet the ADA and IDEA requirements. Currently even our public schools are significantly underfunded in the areas of special education (only about 50% funded currently) making entities that have no programs in place as a near impossibility to be executed in the best interest of the child.

- Cost for administration of approximately 60,000 new parent accounts
- NDDPI cost for FTE to administer the program & randomly audit the accounts or contract with the state auditor to do so @\$80 per hour.

Then coming into question is accountability. While there is a section asking for a nationally normed referenced test, at any time any parent can opt their student out of such testing. This body could potentially have little oversight over their over \$94M additional investment and with our workforce demands in our state, reducing support to 90% of our students in North Dakota would not readily answer to that demand. Furthermore, if opt out rates at the public level supersede federal allowances, we'd risk losing federal funding to our schools. The US Department of Ed estimates the federal funding accounts for nearly 8% of our overall school funding – this is not counting the significant relieve our schools received during COVID. That risk poses additional detriment.

The cost to operate our public schools would not change. They would simply have less dollars to do so which will hurt the opportunity for the overwhelming majority of our students. Our state is constitutionally obligated to provide a free public education – this is one that all of our students are able to take advantage of. Rather than take on a myriad of constitutional challenges (Is this upholding our state constitution? Is this an inappropriate mix of church and state? There is little to no compelling evidence to show students will have a better outcome in a voucher system – is an investment in something that hasn't proven it worth a good decision?) I would ask you to consider other avenues and opportunities to provide flexibly within our own current system of education.

We ask for a DO NOT PASS of HB 1369.