

TESTIMONY ON HB 1132
SENATE EDUCATION COMMITTEE
3/1/2023
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Chairman Elkin and Members of the Committee:

I am Adam Tescher, the School Finance Officer with the Department of Public Instruction. I am here to provide information regarding HB 1132.

HB 1132 was amended to allow students that move out of North Dakota or plan to move into North Dakota during the school year to enroll early or to remain enrolled, not to extend beyond the current school year using virtual instruction. During the 2021-2022 school year, 4,048 students transferred out of a school district and did not have a subsequent enrollment in STARS. This does not count the students that enrolled during the school year that may have moved in from another state.

When the fiscal note was requested for the amendments to this bill. I provided a zero fiscal impact as section 3 was not amended, which identified that military-connected students under HB 1132 would qualify for average daily membership and receive funding. I read this to believe that students that attend virtually out of state would only qualify for average daily membership if they were military-connected. However, after further review, NDCC 15.1-27-35-2(d) states, “A student enrolled full

time in virtual instruction is calculated at an average daily membership of 1.00. The membership may be prorated for a student who is enrolled less than full time.” This section of NDCC would allow students to enroll in a North Dakota public school district under HB 1132 to generate foundation aid.

NDCC 15.1-29 addresses educating students in bordering states. If a student lives within 40 miles of the border or in a contiguous county, the school districts can enter into a tuition agreement if the student wishes to attend school in a neighboring state. Foundation aid is generated for resident school districts under this section rather than the educating school district. HB 1132 may conflict with this section if a student moves across the border but wishes to enroll in a virtual academy in North Dakota.

Chairman Elkin and Members of the Committee that concludes my prepared testimony and I will stand for any questions that you may have.