



1 **HB 1281 – Education Tax Credit**
2 **Testimony in Opposition**
3 **North Dakota Council of Educational Leaders – Dr. Aimee Copas**
4 **January 29, 2021**
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6 Good day Chairman Delzer, and members of the House Appropriations Committee. For the
7 record, my name is Dr. Aimee Copas and I serve as the Executive Director for the ND Council of
8 Educational Leaders representing all school administrators, directors, and school leaders.

9 I come before you today representing your school leaders recommending to you that take
10 pause before considering this bill to be the solution to education some of you may be searching
11 for.

12 There are two key categories by which we ask that you contemplate with this bill (1) cost (2)
13 accountability. In the private school environment, there is no legal but at least inherent
14 accountability by a governing board and tuition paying families. In a home school environment,
15 there is no legal or inherent accountability. In fact, every session there are bills to lessen the
16 ability to monitor these students in any way. Dollars without some type of accountability
17 traditionally are not typically supported by the ND Lawmakers.

18 On its face there are issues with this bill that cannot be reconciled. I could spend the better
19 part of an hour digging into the many issues that I can see in this bill, but I will focus on the
20 fiscal side. The reality is that this bill will cost our state an enormous amount of
21 money...perhaps not in the first year, but certainly in the not-so-distant future. It creates
22 disparities in funding as well as other potential inequities. Please allow me to explain the fiscal
23 piece further.

24 The credit allowed to each family as amended is \$500 per student who was a full-time
25 student in a private or home environment for the entire school year (or \$250 for less than entire
26 year). If the amount of credit exceeds their liability for tax, that credit could be carried forward
27 in the subsequent year. The potential impact to state revenue is extensive. With an ongoing
28 average of about 7500 students in North Dakota going to private schools and close to 5000
29 choosing home school, the tax credit implication could be up to \$6.25M for just the first year of
30 this credit. If there was only a 25% carryover occurred hypothetically, this could be the
31 implication on an annual basis beginning in year 2.



1 **Year 1) Up to \$6,250,000 (new credits) (12,500 students x \$500 credit)**
2 **Year 2) Up to \$7,812,500 (\$6.25M new credits + \$1,562,500M carryover)**

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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. (Approximately 113,000 students in attendance at our public schools). 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 appropriately upholding our state constitution? Is this an inappropriate mix of church and state? Are dollars without accountability a pathway this legislature is in favor of? There is little to no compelling evidence to show students will have a better outcome in a voucher system. We would ask you to consider other avenues and opportunities to provide flexibly within our own current system of education to provide opportunities for these students and families. Continue to invest in our public school system and show support in that system so that families are taking advantage of the wonderful investment you’ve made in our state.

We ask for a DO NOT PASS of HB 1281.