

1 Chairmen Headland and members of the Finance and Taxation Committee,

2 Good Morning and thank you for the opportunity to appear before you today in opposition to  
3 HB 1200. My name is Mike Bitz, and I am fortunate to serve as the superintendent of Mandan Public  
4 Schools. I am also the president on the North Dakota Superintendent's Association.

5 **I want to be respectful to the sponsors of this bill, I believe they mean well, but one of the**  
6 **guiding principles of a true conservative, is local control. It is difficult to argue for local control when**  
7 **decisions are being made in Washington, and then argue against local control when decisions are**  
8 **being made anywhere other than Bismarck.** The same voters who elected each of you to the legislature  
9 also cast their ballot for the members of their local school board. If voters have an issue with the  
10 actions of school board members, they have the ability to make a change. HB 1200 is an attack on local  
11 control. It should receive a DO NOT PASS from this committee on that issue alone.

12 Aside from the issue of local control, HB 1200 is unnecessary because school districts are not  
13 abusing their taxing authority. The ND School finance formula is a partnership between the state and  
14 local school districts. A common misbelief is that the state per pupil payment is \$10,036 per-pupil. In  
15 reality, the \$10,036 is a per-pupil-guarantee. **Each school district is required to levy a minimum of 60-**  
16 **mills against the property in the district.** The state then adds to the dollars received from this levy to  
17 ensure that, regardless of a student's zip code, the local districts will have a minimum of \$10,036 to  
18 spend on each student. Below is an example of how the state school finance formula affects the  
19 Mandan Public School District:

|    |  |                  |
|----|--|------------------|
| 20 | ND State Per-Pupil-Guarantee                     | \$10,036.00      |
| 21 | Minus Revenue from 60-Mill Local Levy            | \$ 1,871.41      |
| 22 | Minus 75% of in-Lieu Revenue (Tuition, Oil, Gas) | <u>\$ 177.90</u> |
| 23 | Actual State Per-Pupil Payment                   | \$ 7,986.69      |

24 Mandan is considered a property poor school district. As a result, the state payment to  
25 Mandan is higher than it is for most other districts. It is important to remember that **no two**  
26 **school districts receive the same per-pupil-payment from the state.** This is why local control is so  
27 important for school districts

28 If enacted, HB 1200 would have no impact on the 60-mill minimum general fund levy. In fact,  
29 this bill would only impact the 10 discretionary mills allowed in the general fund. **Since the current**  
30 **school funding formula was enacted by the 2013 ND Legislature, Mandan has never levied over the**  
31 **60-mill minimum general fund levy.** Several of my colleagues and I spent time this weekend trying to  
32 find a school district whose 2020-2021 general fund levy would have been limited by HB 1200. We  
33 could not find a single district that went above and beyond what would have been allowed had HB 1200  
34 been codified into law. HB 1200 is legislation trying to solve a problem that does not exist.

35 I appreciate the opportunity to appear before you today and I urge the committee to give HB  
36 1200 a unanimous DO NOT PASS recommendation. I would be happy to stand for any questions you  
37 may have.