

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS  
AND THE  
SENATE COMMITTEE ON FINANCE  
JOINT SUBCOMMITTEE ON K-12/HUMAN RESOURCES**

**Seventy-Third Session  
May 11, 2005**

The Assembly Committee on Ways and Means and the Senate Committee on Finance, Joint Subcommittee on K-12/Human Resources, was called to order at 8:18 a.m., on Wednesday, May 11, 2005. Senator Barbara Cegavske presided in Room 3137 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**SENATE COMMITTEE MEMBERS PRESENT**

Senator Barbara Cegavske, Chairwoman  
Senator Bernice Mathews  
Senator William J. Raggio  
Senator Dina Titus

**ASSEMBLY COMMITTEE MEMBERS PRESENT:**

Ms. Sheila Leslie, Chairwoman  
Mr. Mo Denis  
Mrs. Heidi S. Gansert  
Ms. Chris Giunchigliani  
Mrs. Debbie Smith  
Ms. Valerie Weber

**STAFF MEMBERS PRESENT:**

Gary Ghiggeri, Senate Fiscal Analyst  
Mark Stevens, Assembly Fiscal Analyst  
Bob Atkinson, Senior Program Analyst  
Mindy Braun, Education Program Analyst  
Laura Freed, Program Analyst  
Linda Smith, Committee Secretary  
Susan Cherpeski, Committee Secretary

Senator Cegavske called the meeting to order and said the Distributive School Account would be the first budget presented for consideration by the Subcommittee.

**DISTRIBUTIVE SCHOOL ACCOUNT (101-2610)**  
**BUDGET PAGE K-12 ED - 1**

Bob Atkinson, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, referred to a three-page handout titled "Summary of the Group Health Insurance Benefits Provided by the School Districts and Charter Schools of Nevada" ([Exhibit B](#)), which included information requested by the Subcommittee in a prior hearing. The handout, which was compiled by the Department of Education (NDE), included a brief description of the group

insurance programs for each school district and projections for the 2005-07 biennium. Mr. Atkinson then referenced a single page handout ([Exhibit C](#)) that provided information on textbooks and related expenditures and said the handout was a lead-in to the closing document ([Exhibit D](#)) for the Distributive School Account (DSA). Mr. Atkinson noted that textbook inflation and remediation were two items in the DSA that were held by the Subcommittee at the May 3, 2005, meeting.

Mr. Atkinson addressed the textbook Inflation and said the consumer price index (CPI) for textbooks indicated an average increase of 4.66 percent per year over the last four years. The additional cost of providing 4.66 percent inflation for the textbook line-item would be \$1,416,685 in FY2006 and \$2,958,227 in FY2007. Mr. Atkinson said the Subcommittee had requested information on the expenditures for textbooks in FY2004 in relation to the items that were "fenced off"; [Exhibit C](#) included the requested information. Mr. Atkinson directed members to the line titled "amount included in approved budget" and pointed out that the approved amounts fenced off for FY2004 included \$23,324,363 for textbooks, \$32,439,302 for instructional supplies, and \$8,661,782 for computer hardware. Approximately \$64 million was fenced off for 2004, but the actual district expenditures for the fenced off items were \$82,340,671. Mr. Atkinson said the question before the Subcommittee was whether to approve the additional funding for textbook inflation.

Senator Raggio noted that the information provided by staff was helpful and said he wanted time to analyze the data. In response to a question posed by Senator Raggio related to the increases, Mr. Atkinson replied that inflation was not built into the Governor's budget. Senator Raggio asked if the districts had expended more than what was budgeted because of inflation or for other reasons. Mr. Atkinson said he would have to defer to the districts for a response. Senator Raggio recommended that the Senate hold on a decision for textbook inflation in order to obtain additional information from the districts.

Senator Cegavske said the Senate would hold on the decision to approve additional funding for textbook inflation.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE  
ADDITIONAL FUNDING FOR TEXTBOOK INFLATION.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY ON THE ASSEMBLY SIDE.

Ms. Weber requested that all the Subcommittee members receive a copy of the full report on textbook inflation requested by Senator Raggio.

Mindy Braun, Education Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, addressed the second item to be considered by the Subcommittee. Ms. Braun indicated that the Governor recommended the creation of a new budget account, the School Remediation Trust Fund, to provide funding for school districts to support school improvement plans designed to identify problem areas, develop strategies, and address other problem areas. The Governor recommended \$50 million be provided in the new account each year of the 2005-07 biennium. In addition, the Governor recommended \$13.9 million in the DSA over the biennium for continuation of remediation funding as provided over the past several biennia. Ms. Braun said the issues before the Subcommittee were whether to:

- Approve the \$50 million in each year of the biennium for remediation as recommended by the Governor.
- Combine the remediation funding included in the DSA with the funding recommended in the new School Remediation Trust Fund account, BA 2615, in order to have all remediation funds contained in a single account.
- Authorize the Department to provide continued funding in FY2006 to schools that received state remediation funds for low-performing schools and tutoring for at-risk pupils during FY2005.

Ms. Braun explained that staff believed there would be a transition year prior to distribution of the remediation funds since a commission, or review group, would have to be organized to determine the method of allocating the funds. There were schools that received remediation funding, and that funding would not be continued into FY2006 unless authority was provided to the NDE to, at a minimum, continue the remediation funding in the amount provided for FY2005.

Senator Cegavske thanked Ms. Braun for her presentation and noted that there was a difference in the two Houses related to the remediation funds. The funding issue was not in question, but there was concern whether to include the \$13.9 million in the new budget account. The Senator thought it was important to make a decision on the funding in order to assist staff in closing some of the budget accounts.

Ms. Giunchigliani recommended including the \$13.9 million with the \$100 million. She noted that each House could address the policy issues. Ms. Giunchigliani voiced concern that perhaps not all the funding was needed for remediation.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO INCLUDE THE \$13.9 MILLION WITH THE \$100 MILLION IN NEW BUDGET ACCOUNT 2615 AND TO HAVE EACH HOUSE CONTINUE TO WORK ON THE POLICY ISSUES.

Senator Raggio stated that the Senate Finance Committee had passed S.B. 404, which basically outlined the Governor's proposal for use of the \$100 million for remediation for K-6 education. He noted that the Senate, after long deliberations, supported using the \$13.9 million included in the budget for grades 7-12, rather than combining the funding into BA 2615. Senator Raggio said he did not think the Senate would support the motion just presented by Ms. Giunchigliani. He said he would support the Governor's recommendation of \$50 million in each year of the biennium for K-6 and the separation of the \$13.9 million to be used for the higher grades. He recognized there would be differences in how the funds would be used.

Senator Raggio referenced the makeup of the proposed commission for oversight of the School Remediation Trust Fund and noted that everybody wanted to control the funding. However, after long deliberations and reaching a consensus, S.B. 404 as amended would provide for a commission comprised of teachers and administrators who had been involved in successful programs. He reiterated that the Senate would endorse the \$50 million each year and the separation of the \$13.9 million to be used in higher grades for remediation and allow the flexibility that the Governor proposed in his State of the State Address and in S.B. 404.

Senator Cegavske indicated that information on the transition year was included on page 3 of the DSA closing document ([Exhibit D](#)). Senator Raggio said the Senate would agree that for transition purposes during FY2006 that the Department be authorized to continue the funding to schools that received state remediation funds for low-performing schools and tutoring for at-risk pupils during FY2005.

Assemblywoman Smith asked if there had been discussion about also making the \$13.9 million more flexible. There had been complaints that it was difficult for the schools to obtain the funding. In addition, the funding was currently limited to use for previously approved programs. Mrs. Smith asked if the policies would change.

Senator Cegavske asked staff for additional information on flexibility for the \$13.9 million remediation funds, which had been a concern. Ms. Braun stated that there had been discussions with the Governor's Office and the NDE related to the issue of flexibility. Based on the discussions, it appeared that the \$13.9 million, if approved by the Subcommittee, would have all the options available for the \$50 million for grades K-6 and would be available to the middle and high school grades. There would be more flexibility and an abbreviated application. Ms. Braun emphasized that the recommendations had been discussion only and there had not been testimony.

Assemblywoman Smith asked about the requirement of using previously approved programs, and Ms. Braun noted that the discussions included providing flexibility for the existing requirement, including innovative programs and other programs that met the needs for the school level plans for improvement.

Senator Raggio said he thought both the Senate and the Assembly were in close agreement on the remediation funding issue. He pointed out that the reason for the makeup of the new commission was to make the funding available, flexible, and accountable. Senator Raggio said currently both the schools and the districts were required to submit an improvement plan. Under S.B. 404, the applicants would be required to submit a budget showing the cost of implementing the plan, and the commission with the expertise delineated would be able to act quickly. Senator Raggio noted that it did no good to have the funding not be used in a timely manner.

Ms. Giunchigliani said there would be numerous discussions related to the policy issue, but agreed that there was a need for innovation. She said the Assembly had forwarded a bill to the Senate that addressed a portion of the remediation funding, but had not yet decided where to allocate the balance of the funding to make certain it would be properly spent. She agreed with Senator Raggio that the remediation funding needed to be allocated in a timely fashion. Ms. Giunchigliani said she would suggest that the Assembly hold on approval of the remediation funding.

Senator Raggio said because the Senate had passed S.B. 404, he would make the motion on the Senate side to approve the \$50 million each year for remediation, that the \$13.9 million be separated and be available for grades above K-6 and that the NDE be authorized to continue funding the schools during the transition period for the purposes indicated; low performing schools and tutoring.

Senator Mathews commented that she had voiced concerns in full Senate Committee about the creation of a new commission for the remediation funds. She pointed out that there was an elected body, the State Board of Education, capable of allocating the funding without adding an additional layer of bureaucracy. Senator Mathews noted that she was scheduled to meet with the Governor to discuss the need for the new commission. The Senator said she respected Senator Raggio's comments but needed to be clear about the need for the new commission and what it could do that the State Board of Education could not.

Because Senator Mathews would be meeting with the Governor, Senator Raggio indicated he would withdraw his motion.

Senator Cegavske said the Senate would hold on approval of the remediation funding.

Mr. Atkinson indicated that the Subcommittee had previously approved the concept of revising the property taxes that were included in the DSA funding formula and had requested that staff review the numbers again. Currently the revenue section of the Fiscal Analysis Division was working with the Department of Taxation to finalize the impact of the property tax legislation and anticipated having the revised projections early next week.

Senator Cegavske opened the hearing on the Department of Education budgets.

#### **BUDGET CLOSINGS – DEPARTMENT OF EDUCATION**

##### **EDUCATION STATE PROGRAMS (101-2673)**

##### **BUDGET PAGE K-12 ED - 14**

Mr. Atkinson said the first closing issue to be considered by the Subcommittee was the request for a new charter school consultant. There had been discussion in previous hearings regarding the increasing number of charter schools in the state and the additional requirements placed on the Department in relation to schools sponsored by the State Board of Education and the greater need for technical assistance for the Board-approved charter schools. There had also been discussion of a conflict of interest for a single charter school consultant to perform both regulatory oversight and technical assistance for a charter school. There were 19 charter schools in the state and 4 were sponsored by the State Board of Education. It was difficult to determine how many applications would be submitted to the districts and the Board and how many would be approved in the future. Mr. Atkinson said the Subcommittee needed to decide whether to approve the new charter school consultant position.

Mr. Atkinson continued and said a second closing issue was the request for a new non-Title I school consultant included in Decision Unit E-303. The Department indicated the position was needed to assist with the guidance and technical support for Title I schools failing to make adequate yearly progress (AYP). If the Subcommittee approved the additional \$50 million each year for remediation funding as recommended by the Governor, the Department would have some oversight responsibilities related to the funding. Mr. Atkinson said the Subcommittee needed to determine whether to approve the new position. The position could be approved contingent upon the approval of the funding recommended in the School Remediation Trust Fund.

Mr. Atkinson said other closing items included an adjustment for the price of computers. The prices were adjusted to reflect the most recent pricing information available from the State Purchasing Division. Another closing item related to the existing charter school consultant, the position approved as a half-time position by the 1999 Legislature and supported by the state General Fund. The 2001 Legislature increased the position to full time supported by the General Fund. In the fall of 2001, the Department received a federal charter school grant that provided funding for one-half of the position. The General Fund dollars that were not expended for the position were reverted. The federal grant was not being renewed and the Governor's budget recommended again funding the existing position with General Fund dollars. Mr. Atkinson said the request appeared reasonable.

Ms. Giunchigliani said she did not believe there was a problem with funding the existing charter school consultant position with General Funds but did have concerns with the non-Title 1 position because of the unknowns related to the remediation funding. She suggested it might be more appropriate to include the non-Title I position through legislation.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO NOT APPROVE  
THE RECOMMENDED TWO NEW POSITIONS AND TO FUND THE  
EXISTING CHARTER SCHOOL POSITION WITH GENERAL FUND  
SUPPORT.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

Senator Raggio said he could support the motion, but thought the new non-Title I school consultant needed to be added contingent upon the approval of the funding recommended in the School Remediation Trust Fund. Ms. Giunchigliani said she would be happy to add the consultant position to the motion.

Senator Cegavske restated the motion as amended to not approve the new charter school consultant, but approve the non-Title I school consultant contingent upon the approval of the funding recommended in the School Remediation Trust Fund, approve funding for replacement equipment, and fund the existing charter school position with General Fund support.

Senator Cegavske said there had been a motion and a second and called for a vote.

THE MOTION CARRIED. (Senator Titus was not present for the  
vote.)

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**EDUCATION STAFFING SERVICES (101-2719)**  
**BUDGET PAGE K-12 ED – 22**

Mr. Atkinson said BA 2719 accounted for personnel-related costs of the numerous less than full-time equivalent staff within the Department funded from multiple funding sources. In order to assist the Department in tracking and reporting the positions, the 2001 Legislature consolidated the positions into a single account, BA 2719. The funding continued to be supported by the grants that supported the positions. Based on the new positions recommended in the other budget accounts that would then have some support positions,

Decision Unit E-350 recommended a new Administrative Assistant I to provide support to the new positions requested in other accounts for the upcoming biennium. Staff recommended that the account be closed with the position with the understanding that the decision unit would be adjusted based on the approval of various positions in other accounts.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE BA 2719  
AS RECOMMENDED BY THE GOVERNOR AND TO INCLUDE  
STAFF RECOMMENDATIONS FOR DECISION UNIT E-350.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Senator Titus was not present for the  
vote.)

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**EDUCATION SUPPORT SERVICES (101-2720)**  
**BUDGET PAGE K-12 ED – 25**

Mr. Atkinson said the Support Services account was the account that collected the indirect costs from all the other grant-funded and state-funded accounts in the NDE and then used the funding to provide for the administrative support of the Department, such as accounting and payroll. One technical adjustment was to the Student Incentive Grants (SIG), BA 2606. The General Fund dollars included in BA 2720 were actually the indirect costs of the General Fund items funded in all the other budget accounts within the Department. A correction to the SIG account would be recommended when BA 2606 was presented for closing. There were no major closing issues in BA 2720 and staff recommended closing as adjusted and requested authority to make adjustments to align the transfers from this account to other budget accounts and also any additional General Fund support that might come into the account due to decisions made by the Subcommittee in other accounts.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE AS  
RECOMMENDED BY STAFF WITH THE INDIRECT COST  
ADJUSTMENTS IN MODULE E-300 AND E-500 AND ALLOW  
STAFF TO MAKE CHANGES ON THE INDIRECT COST  
THROUGHOUT THE BUDGET.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**OTHER STATE EDUCATION PROGRAMS (101-2699)**  
**BUDGET PAGE K-12 ED – 7**

Ms. Braun referred to the major closing issues in BA 2699. The first issue was funding for educational technology. The Governor recommended \$9.95 million in continuing state General Fund support for educational technology needs of school districts during the 2005-07 biennium. During the previous budget hearing, the Subcommittee questioned how the request for \$9.95 million was determined and if a needs assessment had been completed to determine actual technology needs within the state. Ms. Braun said the Commission on

Education Technology held a meeting and made recommendations on how the funding, if approved, would be distributed. The recommendations for the 2005-07 biennium were:

- Technology Infrastructure - \$3,980,000
- High Quality Content Material - \$1,990,000
- Professional Development - \$1,492,500
- Technical Support - \$796,000
- Pilot Projects - \$696,500
- Evaluation - \$995,000

Ms. Braun pointed out that the Commission on Educational Technology indicated the evaluation funds would be utilized to evaluate the effectiveness of state-funded educational technology on student academic achievement and teacher proficiency. Ms. Braun said the Subcommittee should note that the \$995,000 for the evaluation had not been justified by the Commission. In addition, \$50,000 had historically been budgeted for an evaluation of the program through the budget of the LCB. Additionally, the average amount requested for evaluations of programs was \$200,000 over the biennium.

Ms. Braun continued and referred to the options the Subcommittee had if it wished to approve the \$9.95 million over the biennium for educational technology:

- a) Approve the \$9.95 million as recommended by the Governor with \$995,000 for an evaluation of the program.
- b) Approve the \$9.95 million with \$150,000 for an evaluation, to be combined with the \$50,000 contained in the LCB budget; this option would provide \$200,000 for an evaluation of educational technology to be contracted through the LCB.
- c) Approve \$9.95 million with no funding for an evaluation except for the funds included in the budget for the LCB; the funding of \$995,000 could either be savings to the state General Fund or be included in the category for Technology Infrastructure.

Senator Cegavske noted that there had been a great deal of discussion and concern about the evaluation amount of \$995,000 and she thought option b. would be reasonable. Ms. Giunchigliani agreed with the Chairwoman and suggested that the motion include that the \$9.95 million for the technology be contingent upon a discussion regarding the technology staffing within the Department of Education.

Mr. Denis said there was a recent report that Nevada was at the bottom of the list in education technology and thought the funding included in BA 2699 was important. He recognized that evaluation of educational technology was necessary and agreed that option b. was a good choice.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE THE \$9.95 MILLION FOR EDUCATION TECHNOLOGY WITH \$150,000 FOR AN EVALUATION TO BE COMBINED WITH THE \$50,000 CONTAINED IN THE LCB BUDGET AND TO ADD THE REMAINING BALANCE OF \$845,000 INTO TECHNOLOGY INFRASTRUCTURE. THE TECHNOLOGY FUNDING WOULD BE CONTINGENT UPON HAVING DISCUSSIONS WITH THE DEPARTMENT OF EDUCATION RELATED TO STAFFING.



In response to a question asked by Mr. Denis, Ms. Giunchigliani indicated that the staff referenced in the motion referred to staff within the Department of Education assigned to the Technology Commission.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

Mrs. Gansert referred to the spreadsheet provided by Mr. Atkinson earlier in the meeting ([Exhibit C](#)) and pointed out that there was \$8 million for computer hardware. She asked if the Technology Commission had control of all the technology funding for the schools.

Ms. Braun explained that the \$8 million for hardware expenditures included on the spreadsheet ([Exhibit C](#)) was funding expended at the districts' discretion and was included in the per pupil amounts. The funding included in BA 2699 was separate and the allocations would be determined by the Commission on Educational Technology.

Mrs. Gansert said she had just recognized that part of the textbook funding was used for computer hardware.

Senator Cegavske said there had been a great deal of discussion related to the textbook expenditures. She noted that \$64 million was allocated for the textbook line item in FY2004 and the districts expended \$82 million. The expenditure for textbooks was \$28 million. There was concern that the percentage spent on textbooks was low—the goal was to have textbooks available for the students. The Senator stated that \$32 million of the \$82 million was expended for instructional supplies. Senator Cegavske felt that the data reported on the spreadsheet ([Exhibit C](#)) would be a useful tool to provide to the public to show the funding that was allocated and how the districts elected to use the funding.

Senator Mathews asked if some of the additional funding dedicated to technology infrastructure could be dedicated to libraries. Ms. Braun said the Commission on Educational Technology had determined the funding needs of the state for educational technology and she recalled that the school library databases would receive \$500,000.

Senator Mathews said she continued to hope that a portion of the \$845,000 that would be moved to Technology Infrastructure could be rolled into the libraries, but recognized that might not be possible.

Ms. Giunchigliani said that perhaps in the future it would be helpful to see the amount each district allocated for library books, which would provide what the local school board provided to each school for library books and textbooks. She agreed with Senator Mathews that there continued to be a need for books.

Assemblywoman Smith requested additional information on the parent resources referenced on page 8 of the closing document ([Exhibit E](#)) under "High Quality Content Material."

Ms. Braun said it was her understanding that the allocation of the \$1.9 million over the 2005-07 biennium for the high quality content material areas would be deliberated by the Commission on Educational Technology.

Mr. Denis pointed out that the databases were also available to the parents through the public libraries.

Ms. Giunchigliani added a Letter of Intent to the closing issue regarding the staffing, which would provide more direction to staff.

THE MOTION PASSED UNANIMOUSLY.

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Ms. Braun said the next issue for consideration in BA 2699 was the ongoing funding for the System for Accountability Information in Nevada (SAIN). The money committees of the 2003 Legislature determined that the state General Funds should be considered one-time in nature and not be considered a continuing responsibility of the state. Ms. Braun said the Governor recommended state General Funds in the amount of \$200,000 each year of the 2005-07 biennium to support ongoing maintenance for support of the SAIN. The Subcommittee had questioned the need for the funding and the Department reported that because the system was originally built with state funds there would be a supplanting issue if only federal funds were utilized. Ms. Braun referred to a table on page 9 of the closing document that included the recommended expenditures for the SAIN.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE THE FUNDING FOR THE SYSTEM FOR ACCOUNTABILITY INFORMATION IN NEVADA AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Braun referenced the next item and said the Governor recommended \$51,429 in each fiscal year of the 2005-07 biennium to continue the reimbursement costs to teachers who successfully completed the National Board Certification Program. The state reimbursed each teacher \$2,000 of the \$2,300 certification fee, leaving a balance of \$300 to be paid by the teacher. The Department had indicated that when taking into consideration federal funding available and requiring the teachers to pay \$300, a total of \$70,000 in state General Funds, combined with \$10,000 in federal funding, would be needed for each year of the 2005-07 biennium to meet the projected needs of 40 teachers. If \$70,000 was approved by the Subcommittee in each fiscal year an additional \$18,571 in state General Funds would be required.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO INCREASE THE STATE GENERAL FUNDS FOR THE NATIONAL BOARD CERTIFICATION PROGRAM TO \$70,000 IN EACH YEAR OF THE BIENNIUM.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Braun continued and said the Governor recommended that licensing fees for private schools be placed in BA 2699 rather than the state General Fund. The NDE projected the fees to be \$12,000 annually. Ms. Braun said that NRS 394.331 required the licensing fees currently collected by the NDE to be deposited into the State Treasury to the credit of the state General Fund. Therefore, if Decision Unit E-301 was approved, a statutory change would be required. Ms. Braun said the Subcommittee had asked for justification of the change and the NDE had indicated that due to a lack of funding, the Department had been unable to inspect exempt schools, only private licensed schools had been inspected. For the 2004-05 school year, 49 exempt schools and 33 private schools sought renewal. The Department indicated the funding would be used to contract for an administrative assistant or to hire a .25 FTE employee to assist with the inspections. Ms. Braun said if the Subcommittee wished to approve the Governor's recommendation, a bill draft request to amend NRS 394.331 would be required. She pointed out that the Subcommittee might want to issue a Letter of Intent to the Department to hire a contractor in lieu of hiring a .25 FTE employee.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE PLACING THE LICENSING FEES FOR PRIVATE SCHOOLS INTO BA 2699 AND TO SUBMIT A BILL DRAFT REQUEST TO AMEND NRS 394.331 TO ALLOW THE CHANGE. ADDITIONALLY, ISSUE A LETTER OF INTENT TO THE DEPARTMENT TO HIRE A CONTRACTOR IN LIEU OF HIRING A .25 FTE EMPLOYEE.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senator Cegavske directed members to the funding for teacher signing bonuses, Decision Unit M-200, BA 2699. Ms. Braun said the Governor recommended \$5.1 million in each year of the 2005-07 biennium to continue the teacher signing bonus program. The bonuses were awarded to teachers newly hired to a school district. The Department had submitted a request for a supplemental appropriation for FY2005 to cover a funding shortfall of \$436,000 and projected a need for \$6.1 million in FY2006 and \$6.4 million in FY2007, requiring additional state General Funds of \$952,000 in FY2006 and \$1,254,000 in FY2007 to fully fund teacher signing bonuses.

Senator Cegavske pointed out that Assemblywoman Giunchigliani had requested a report on the effectiveness of the bonus program. Ms. Braun said the Department had disseminated a survey to the local school districts. The survey results indicated that out of 2,296 new teachers who received the bonus, 10.3 percent did not remain for the 3-year period; an 89.7 percent retention rate.

Senator Mathews asked if there was a time requirement tied to a signing bonus and Senator Cegavske replied no. Senator Mathews stressed the importance of having a time requirement.

Assemblywoman Smith noted that when the Committee on Education heard testimony on A.B. 60, a great deal of time was dedicated to the bonus program. She said the districts were adamant that the signing bonus incentive was essential in the teacher recruitment process.

Senator Raggio also voiced support for the signing bonus program, which he felt was important and had served the districts well. He said it was important to add the additional funding to meet the projections.

SENATOR RAGGIO MOVED TO APPROVE THE FUNDING FOR THE SIGNING BONUS PROGRAM WITH THE ADDITIONAL AMOUNTS REQUIRED TO FULLY FUND THE PROGRAM FOR THE 2005-07 BIENNIUM.

SENATOR MATHEWS SECONDED THE MOTION.

Senator Mathews said she had received information that there were some districts that had tight rules on the signing bonus. She recognized that the signing bonuses were a good attraction, but continued to be worried that individuals would obtain the bonus and then leave in a short period of time.

Ms. Giunchigliani pointed out that the districts were not restricted from imposing a time line for length of stay. She stated that it was important to address the teacher salaries "on the front end" and she had not supported the signing bonuses for that reason. The majority of states bordering Nevada provided much higher starting salaries for teachers. In addition, there were often hard feelings on a school campus if a teacher who was new to the school received an additional \$2,000 and existing staff received no additional incentive. Ms. Giunchigliani agreed that the funding did need to be appropriated.

Senator Titus voiced her support for the additional funding for the signing bonus program, but agreed with Ms. Giunchigliani. There should be some reward for those who stayed in the school system for a number of years.

THE MOTION CARRIED. (Mrs. Smith was not present for the vote.)

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Ms. Braun continued the closing presentation on BA 2699 and said the Governor recommended \$346,203 in each year of the 2005-07 biennium for the purchase of library books for use in school library media centers. In response to a request of the Subcommittee, the Department reported that applying an inflation factor of 3 percent beginning in FY2001 would result in additional state General Funds of \$213,533 for FY2006 and \$253,680 for FY2007. If the inflation rate of 3 percent was built in beginning in FY2006, additional state funds of \$136,468 would be required in FY2006 and \$169,190 in FY2007. The Subcommittee could elect to approve with the Governor's recommendation or include a 3 percent inflation factor. If the Subcommittee elected to include the 3 percent inflation factor, a decision needed to be made whether to apply the factor beginning with FY2001 and build it forward or apply the factor beginning in FY2006.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CONTINUE FUNDING FOR LEA LIBRARY BOOKS AND TO ADD THE INFLATION FACTOR OF 3 PERCENT BEGINNING WITH FY2006.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (Mrs. Smith was not present for the vote.)

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Ms. Braun said the Governor recommended \$300,000 over the biennium for public broadcasting, which was the same amount that had been appropriated since FY1999. The Department had contacted a representative of the Public Broadcasting Association to determine what additional services could be provided if the amount was increased to \$300,000 each year of the biennium. The Association indicated the increased funding would allow additional educational programming in the Las Vegas area, educational communications to targeted communities in Clark County including African American and Hispanic, Reading to Learn services to children and their parents, and professional development activities for teachers in northern Nevada. The funds would be used to offset basic operating expenses in the rural areas for the public broadcasting transmitter stations. Ms. Braun said the Department supported an allocation of \$300,000 each year of the 2005-07 biennium.

Ms. Braun noted that if the Subcommittee approved \$300,000 each year of the biennium, the members might wish to issue a Letter of Intent to the Department of Education and the Public Broadcasting Association noting that the intent of the funding was to support educational services only.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE PUBLIC BROADCASTING AS RECOMMENDED BY THE GOVERNOR AND TO ISSUE A LETTER OF INTENT TO THE DEPARTMENT OF EDUCATION AND THE PUBLIC BROADCASTING ASSOCIATION INDICATING THAT THE FUNDING WAS TO SUPPORT EDUCATIONAL SERVICES ONLY.

ASSEMBLYWOMAN GANSERT SECONDED THE MOTION.

Assemblywoman Leslie disclosed that she was a volunteer member of the Public Broadcasting Board in Reno, but would be voting.

THE MOTION CARRIED. (Mrs. Smith was not present for the vote.)

\* \* \* \* \*

The Governor recommended \$49,803 in the first year of the biennium to continue the Peer Mediation program. Ms. Braun noted that the Department, in response to a request made by the Subcommittee, reviewed the success of the program and requested that the Subcommittee consider increasing the funding for the program to \$100,000 over the biennium. The Department also requested authority for 15 percent of the funds to be used for administrative purposes in support of the program. The \$15,000 would be used to reimburse the program from which the staff member worked, and for in-state travel, supplies and printing, instructional materials, and non-employee in-state travel. The Department indicated if \$100,000 was approved, the number of projects would increase from 20 to 40.

Ms. Giunchigliani said the Peer Mediation program was a good program and was very empowering to middle school students who learned they were responsible for their actions. The program helped to diffuse problems before they occurred.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE \$50,000 FOR THE PEER MEDIATION PROGRAM FOR EACH YEAR OF THE BIENNIUM AND TO PROVIDE NO MORE THAN 5 PERCENT OF THE FUNDS TO THE DEPARTMENT OF EDUCATION FOR ADMINISTRATIVE SUPPORT OF THE PROGRAM. ADDITIONALLY, ISSUE A LETTER OF INTENT TO THE DEPARTMENT INDICATING THAT AS PART OF THE FUNDING FOR TECHNICAL SUPPORT A PRELIMINARY REPORT SHOWING THE EFFECTIVENESS OF THE PROGRAM DURING THE 2005-07 BIENNIUM BE SUBMITTED TO THE LEGISLATIVE COMMITTEE ON EDUCATION DURING THE INTERIM, WITH A FINAL REPORT SUBMITTED TO THE 2007 LEGISLATURE. THE REPORT SHOULD ALSO INCLUDE THE TYPE OF SUPPORT PROVIDED BY DEPARTMENT STAFF.

Ms. Leslie noted that she had introduced a bill during the 1999 Legislative Session that began the Peer Mediation as a pilot program. She stated that the report submitted by the Department on the program far exceeded her expectations in terms of the quality of programs at local school sites. The program illustrated how a small amount of funding to the schools could have a significant impact. She urged the members to support the recommendation.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. Braun stated that the Governor recommended \$285,460 in each year of the biennium to continue support for nationally certified school counselors and school psychologists. The funds were approved initially by the 2003 Legislature to begin in FY2005. The funds were utilized to provide a 5 percent salary increase for all school counselors and school psychologists who held national certification.

Senator Cegavske said she would have liked for the special education teachers to be included in the category.

Senator Mathews noted that professionals were obligated to pay expenses incurred for recertification, not the state. She asked if any of the funds recommended by the Governor for school counselors and psychologists were to be used for recertification reimbursement. Ms. Braun replied no and explained that the funds were used to provide salary increases for all nationally certified school counselors and school psychologists.

SENATOR MATHEWS MOVED TO CONTINUE FUNDING FOR NATIONALLY CERTIFIED SCHOOL COUNSELORS AND PSYCHOLOGISTS AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**PROFICIENCY TESTING (101-2697)**  
**BUDGET PAGE K-12 ED - 31**

Ms. Braun referred to BA 2697, Proficiency Examination, and said the Governor recommended funding of \$63,800 in FY2006 and \$80,193 in FY2007 for a new education consultant and related costs for support of the Nevada Writing Examination. There was an error in the revenue source in building the budget. The Executive Budget included \$12,569 in FY2006 and \$15,798 in FY2007 to be transferred from a different budget account to support the new position. Ms. Braun pointed out that the position should have been funded 100 percent with state General Fund dollars. If the position was approved under BA 2697, there would be a shortfall of \$12,569 in the first year and \$15,798 in the second year. During a previous hearing the Subcommittee did question the need for the new position since the examination had not expanded. The Department indicated that additional duties had been placed on the current consultant due to the shift in focus from the test being diagnostic to being utilized for accountability purposes under the NCLBA. If approved, the Department indicated that the position would allow the program to engage in research and evaluation activities, as well as additional professional development activities. The new position would also allow for a more focused analysis of the performance of the writing portion of the High School Proficiency Examination. Ms. Braun continued and said the Subcommittee had also questioned why the Department requested that the position be funded with state General Funds in lieu of federal funds under the Title VI Assessment Grant.

Ms. Braun suggested that the Subcommittee might want to approve the new 1.0 FTE Education Consultant position for support of the writing examination contingent upon the Department receiving approval from the federal government to utilize federal funds from the Title VI Grant to support the position and related costs. Ms. Braun said if the position was approved using federal funds, staff requested authority to move the position and all costs associated with the position to BA 2713. In addition, staff would request authority to make adjustments to computer hardware and software based upon the most recent pricing.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO FUND THE  
EDUCATION CONSULTANT POSITION WITH THE FEDERAL FUNDS  
AND TO MOVE THE POSITION TO BA 2713 AS RECOMMENDED  
BY STAFF.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. Braun indicated that the 19th Special Session of the Legislature passed S.B. 1, which required the Department to lower the passing score for math proficiency to make the passing rate for students similar to that of the reading portion of the examination. The Subcommittee heard testimony and received a report from the Department that indicated during the 2003-05 biennium there were large differences among school districts in the actual courses allowed to meet the state requirements for graduation. The difficulty of the math courses ranged from Consumer Math to Algebra I. Ms. Braun referenced the table on page 15 of the closing document ([Exhibit E](#)) that provided the information on

the High School Proficiency Examination (HSPE) passing rates; information requested by the Subcommittee. The data indicated that passing rates for the reading portion were relatively stable and were in the upper 90 percent range; the passing rates for the math portion of the examination dropped significantly during the 2002-03 school year and had increased only slightly in the 2003-04 school year.

Ms. Braun said the Subcommittee might wish to issue a Letter of Intent to the Department requesting that an annual report be submitted to the Interim Finance Committee and the Legislative Committee on Education showing the passing rates on the HSPE, both reading and math, including any revised plan by the State Board of Education to increase the passing rate on the mathematics portion of the examination.

Senator Titus said she thought it would be important to have information on the passing rate of students who took Consumer Math versus those who took Algebra and she asked if the data was available.

Dr. Keith Rheault, Superintendent of Public Instruction, Nevada Department of Education, indicated the data referenced by Senator Titus was not available. However, with the new accountability system the Department would be able to collect the data in the future. He said the key factor he had noticed in the pattern of students taking the mathematics examination was that often students took the math portion of the HSPE as early as grade 10 and then completed the three required math credits prior to their senior year. Students not passing the math examination prior to their senior year often had forgotten some of their math skills. Dr. Rheault pointed out that students at the Career and Technical High School in Las Vegas who took Consumer Math passed the math portion of the HSPE at a much higher rate.

Ms. Giunchigliani said it was her understanding the Clark County School District recently required that Algebra be mandatory. She indicated that Consumer Math reinforced the basic math concepts.

Mrs. Smith referred to the results of the mathematics portion of the HSPE and said there seemed to be a direct correlation in looking at individual schools between highly qualified teachers providing math instruction and teachers teaching out of their area of certification. Additionally, data was not available on the number of substitutes providing instruction in mathematics.

Senator Cegavske noted that many special education classes also had substitutes and individuals providing instruction out of their area of certification.

Senator Raggio pointed out that the trend for high school students had been to take as few courses as possible in the senior year. He stressed that the state was funding education for students for a total of 12 years. The Senator thought the senior year should be a year that students took a full course load, including mathematics. Senator Raggio said he was not familiar with Consumer Math but did not think it would be sufficient for a student to score highly on the math portion of the HSPE. He emphasized that the HSPE was not that rigorous. Senator Raggio opined that students who did not complete full course schedules throughout grades 1-12 had an impact on the passing rate for the HSPE and resulted in some students who went on to college needing remediation.

Senator Cegavske said, as a parent of two sons, she had had the same concerns addressed by Senator Raggio. Even in the 11th grade her sons did not



have a full schedule because they had completed the required number of credits; all that was required for their graduation was an additional credit in both the 11th grade and 12th grade. Senator Cegavske said she had been a strong proponent of linking high school courses to college credits so that students in their 12th year would be able to take community college courses and earn credits. Senator Cegavske encouraged the school districts and the community colleges to work closely linking the courses to college credits.

Senator Cegavske said she would accept a motion.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO ACCEPT STAFF RECOMMENDATIONS FOR DECISION UNIT E-710 AND ISSUE A LETTER OF INTENT REQUIRING THE STATE BOARD OF EDUCATION TO REVIEW THE PASSING RATES ON THE HIGH SCHOOL PROFICIENCY EXAMINATION BY DIFFERENT POPULATIONS AND PREPARE A PLAN TO IMPROVE THE PASSING RATES OF STUDENTS.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**TEACHER EDUCATION & LICENSING (101-2705)**  
**BUDGET PAGE K-12 ED - 36**

Ms. Braun said the Governor recommended authority of \$914,210 in FY2006 and \$959,921 in FY2007 for teacher licensing fees, which represented a 5 percent increase in each fiscal year from the base year amount of \$829,215. The Licensing Reserve amount was recommended at \$64,620 in FY2006 and only \$16,126 in FY2007. The reserve was utilized by the Department for cash flow purposes throughout the year and had historically been maintained at \$100,000 or more. Because the licensing reserve was projected to be so low, the Subcommittee questioned whether the projected revenue for licensure fees was accurate. Ms. Braun said the Department indicated the projections were accurate and staff concurred. She pointed out that the revenue amount projected was lower than what the Department desired. Ms. Braun said the Commission on Professional Standards was reviewing the need to increase the fee for initial licenses from \$65 to \$70, and renewal licenses from \$80 to \$85. If the fees were increased the projected reserve would be \$104,620 in FY2006 and \$112,126 in FY2007. The Department reported that BA 2705 required approximately \$80,000 each month to cover expenses.

Ms. Braun said the Governor recommended \$43,216 in FY2006 and \$44,521 in FY2007 in the Licensing Reserve funds for DoIT information services costs, an increase of 159 percent in FY2006 and 167 percent in FY2007. The funding would be used to enhance the teacher licensing databases in the Department, which were moved into the Department during the 2003-2005 biennium. In response to a Letter of Intent issued by the 2003 Legislature, the Department reported that the database systems were successfully moved in-house in March of 2004, which should have resulted in a savings of \$11,000 per year in storage and access fees.

The Department indicated that the sizable increase in the Information Services category for the 2005-07 biennium was due to program development and

database administration costs to be paid to the DoIT for programming costs to improve and streamline the database system on an ongoing basis. Ms. Braun pointed out that the improvement to the teacher licensing database appeared necessary. However, she said the Subcommittee might wish to issue a Letter of Intent to the Department requesting that the Commission on Professional Standards increase fees, if necessary, to support BA 2705 in lieu of approaching the IFC for a Contingency Fund allocation. In addition, the Subcommittee might want to include in the Letter of Intent that any improvements to the teacher licensure database be contingent upon the Licensing Reserve maintaining a minimum of \$80,000 in each year of the 2005-07 biennium. Ms. Braun pointed out that there were technical adjustments for replacement equipment and potential transfers from the account.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE BA 2705 WITH STAFF RECOMMENDATIONS AND TECHNICAL ADJUSTMENTS AND TO ISSUE A LETTER OF INTENT TO THE DEPARTMENT OF EDUCATION REQUESTING THAT THE COMMISSION ON PROFESSIONAL STANDARDS CONSIDER INCREASING LICENSING FEES BY \$5 AND REQUIRING THAT ANY IMPROVEMENTS TO THE TEACHER LICENSING DATABASE BE CONTINGENT UPON MAINTAINING A MINIMUM LICENSING RESERVE OF \$80,000 IN EACH YEAR OF THE BIENNIUM.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**DRUG ABUSE EDUCATION (101-2605)**  
**BUDGET PAGE K-12 ED - 42**

Laura Freed, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said BA 2605 had not been previously heard by the Subcommittee. The account was funded by the Federal Safe and Drug Free Schools and Communities grant, which was part of the No Child Left Behind Act (NCLBA). The funding was used for education and prevention efforts in the public schools. Ms. Freed said there were no closing issues in the account and staff recommended closing as adjusted. The only technical adjustment was in the price of a desktop computer.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE WITH STAFF RECOMMENDATIONS AND TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**SCHOOL HEALTH EDUCATION – AIDS (101-2611)**  
**BUDGET PAGE K-12 ED – 46**

Ms. Freed said BA 2611 was federally funded and there were no closing issues. Staff recommended BA 2611 be closed as recommended by the Governor with

the approval to make adjustments that might be required to align transfers from the account to BA 2719, Staffing Services, and BA 2691, Nutrition Education, if needed.

SENATOR MATHEWS MOVED TO CLOSE BA 2611 AS  
RECOMMENDED BY THE GOVERNOR WITH STAFF  
ADJUSTMENTS AS NEEDED.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**GEAR UP (101-2678)**  
**BUDGET PAGE K-12 ED – 50**

Ms. Braun said there were no major closing issues in BA 2678. The Gear Up program would terminate at the end of the 2005-07 biennium. Ms. Braun said Decision Unit E-710 requested funding for 3 new computers, but that request had been withdrawn by the Department.

SENATOR RAGGIO MOVED TO CLOSE BA 2678 AS  
RECOMMENDED BY STAFF.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**DISCRETIONARY GRANTS – UNRESTRICTED (101-2706)**  
**BUDGET PAGE K-12 ED – 54**

Ms. Freed said BA 2706 was so named because of the indirect cost rate, estimated at 19.7 percent. A description of each of the grants included in the account was included on page 23 of the closing list ([Exhibit E](#)). The account was funded 100 percent by federal grants. Staff recommended closing the account as recommended by the Governor.

ASSEMBLYMAN DENIS MOVED TO CLOSE BA 2706 AS  
RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**DISCRETIONARY GRANTS – RESTRICTED (101-2709)**  
**BUDGET PAGE K-12 ED – 59**

Ms. Freed said BA 2709 included grants subject to the restricted indirect cost rate of 19.2 percent. Staff recommended the account be closed as recommended by the Governor.

ASSEMBLYMAN DENIS MOVED TO CLOSE BA 2709 AS  
RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**IMPROVING AMERICA'S SCHOOLS – TITLE 1 (101-2712)**  
**BUDGET PAGE K-12 ED - 64**

Ms. Braun said there were no closing issues in BA 2712. Staff recommended that the account be closed with technical adjustments and to align any transfers from the account to Staff Services. The technical adjustment would be for replacement equipment. One additional closing informational item was in response to a request made by the Subcommittee related to extended day kindergarten. In response to that request, Ms. Braun noted that 8 of the 17 school districts utilized Title I funds to support extended, or full-day, kindergarten.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE BA 2712  
WITH STAFF RECOMMENDATIONS AND ADJUSTMENTS.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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**ELEMENTARY & SECONDARY ED TITLES II, V, VI(101-2713)**  
**BUDGET PAGE K-12 ED - 70**

Ms. Braun said there were two major closing issues in BA 2713. The first issue was related to the Title VI State Assessment Grant and the use of funds for the System for Accountability Information in Nevada (SAIN). Under BA 2699, the Subcommittee approved \$200,000 in each fiscal year from the General Fund to support the SAIN. The Department recommended federal funding in the amount of \$600,000 in each fiscal year of the 2005-07 biennium for support of the SAIN. The federal support would include enhanced Web reporting applications in the amount of \$420,000 each year; Department technical support at the district level of \$150,000 each year; and support of 1.0 FTE Database Manager II position in the amount of \$75,000 each year. Ms. Braun asked if the Subcommittee wished to approve the federal funds in the amount of \$600,000 each year of the 2005-07 biennium.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE THE  
\$600,000 EACH FISCAL YEAR OF THE 2005-07 BIENNIUM FOR  
THE SAIN, INCLUDING \$75,000 IN EACH FISCAL YEAR FOR A  
DATABASE MANAGER II POSITION.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. Braun referenced the second closing issue and noted that during the previous budget hearing the Subcommittee heard that the Department and the Governor had recommended a new position for test security purposes to be funded by the Title VI State Assessment Grant. The Subcommittee had questioned the need for the new position since the IFC had granted authority for the Department to hire a 1.0 FTE position to address testing irregularities in the proficiency testing program; the position was hired in November 2004. The Department had since withdrawn the request and staff eliminated E-300 from BA 2713. Ms. Braun said there were other technical adjustments for replacement equipment, to align transfers, and to move decision unit costs from BA 2697 to BA 2713.

Ms. Giunchigliani recalled that the Department had requested a math and science education consultant. Ms. Braun said the Department had requested a consultant for social studies, but that position was not recommended by the Governor.

Senator Titus referred to Democracy Day that had recently taken place, which promoted the importance of civic education, social studies, and good citizenship, and she thought it was important to support a social studies position.

Dr. Rheault testified that the social studies consultant position was requested by the Department in BA 2673 and was the highest priority of the positions that did not receive funding. Dr. Rheault said the social studies position was the same grade level as the charter school consultant and would require \$62,559 the first year of the biennium and \$77,129 in FY2007.

Assemblywoman Giunchigliani thought it was important to support the social studies position.

Assemblywoman Smith pointed out that the Commission on Professional Standards had taken the position to support a social studies consultant.

In response to a question asked by Senator Cegavske, Dr. Rheault said in the past the Department had not had a position assigned to social studies; the job duties were given to other consultants under the job description of "other duties as assigned."

Ms. Giunchigliani asked about the start-up time that would be required, and Dr. Rheault said the Department had requested October 1, 2007, as a start-up date. He noted that the job description had already been developed. Ms. Giunchigliani pointed out that the charter school position had not been approved and thought that funding could be used for the social studies consultant.

Senator Raggio asked if the new position could serve part-time as a charter school consultant and part-time as a social studies coordinator. Dr. Rheault stated that the existing charter school position was overworked and currently no one was assigned to social studies.

Senator Cegavske requested that BA 2713 be closed. BA 2673 could be revisited to address the part-time charter school position.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE THE ITEM  
RELATED TO THE NEW POSITION FOR TEST SECURITY AS  
RECOMMENDED BY STAFF WITH TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**STUDENT INCENTIVE GRANTS (101-2606)**  
**BUDGET PAGE K-12 ED - 76**

Ms. Braun said there were no major closing issues in BA 2606. The account was funded with state General Funds and the indirect costs needed to be moved to a different budget account. There were no other adjustments to the account.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE WITH  
STAFF RECOMMENDATIONS AND TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**OCCUPATIONAL EDUCATION (101-2676)**  
**BUDGET PAGE K-12 ED - 80**

Ms. Freed said staff recommended BA 2676 be closed as adjusted. The one technical adjustment was to adjust computer prices to reflect the most recent pricing information. Ms. Freed noted for the Subcommittee that if one of the various career and technical education bills was approved, staff would make certain the name of the budget account was changed.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE BA 2676  
WITH STAFF RECOMMENDATIONS AND TECHNICAL  
ADJUSTMENTS.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**NDE CONTINUING EDUCATION (101-2680)**  
**BUDGET PAGE K-12 ED - 85**

Ms. Freed said staff recommended BA 2680 be closed as adjusted. She reminded the Subcommittee that at the Distributive School Account hearing of May 1, 2005, the staff's recommendation to transfer position costs for administration of the Adult High School Diploma Program from the DSA to BA 2680 was approved. Staff had made the required changes. The DSA budget reflected a corresponding reduction in the Adult High School Diploma Program funding for the position.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE BA 2680  
WITH STAFF RECOMMENDATIONS AND ADJUSTMENTS.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**NUTRITION EDUCATION PROGRAMS (101-2691)**  
**BUDGET PAGE K-12 ED – 89**

Ms. Braun said there were no major closing issues in BA 2691. Staff requested authority to make technical adjustments for replacement equipment and to align transfers.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE BA 2691  
WITH STAFF RECOMMENDATIONS AND TECHNICAL  
ADJUSTMENTS.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**INDIVIDUALS WITH DISABILITIES (IDEA) (101-2715)**  
**BUDGET PAGE K-12 ED – 96**

Ms. Freed said there were two closing issues related to BA 2715. The first issue related to Decision Unit E-300, which recommended a new consultant for charter schools to deal with the special education needs of students served by charter schools. Ms. Freed stated that the chart provided by the Department included on page 41 of [Exhibit E](#) listed the number of special education students served by the charter schools in various districts. The Department reported that some school districts had indicated reluctance to sponsor additional charter schools due to the administrative demands of sponsorship. The Department also indicated that a great deal of staff time was spent assisting the charter schools in developing IDEA-compliant special education programs. Staff had no objections to approving the new consultant position, which would be funded 100 percent through the federal IDEA grant. There were also technical adjustments to reflect the latest pricing available from state purchasing.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE  
DECISION UNIT E-300 WITH STAFF RECOMMENDATIONS AND  
TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Freed said the second closing issue in BA 2715 involved the NRS 395 program. She said the Subcommittee would recall discussion of [S.B. 108](#),

which was a supplemental appropriation for FY2005 for the NRS 395 program. Approximately \$80,000 was added to the General Fund support because the program added an additional student receiving out-of-state special education services. When the money committees heard S.B. 108, there was recognition that General Fund support in BA 2715 might need to be increased for the 2005-07 biennium given the addition of a pupil to the program in FY2005 and the possible addition of another pupil. There were two options to be considered by the Subcommittee:

- Add General Fund support to this account in the amount of \$84,881 in FY2006 and \$84,795 in FY2007, to bring the NRS 395 costs funded by the General fund to \$280,000 in both years; or
- Approve the budget as recommended by the Governor, with the intent that the Department should approach the Interim Finance committee for a Contingency Fund request if needed.

Ms. Freed said the latter option was staff's recommendation.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE BA 2715 AS RECOMMENDED BY THE GOVERNOR AND REQUIRING THE DEPARTMENT TO APPROACH THE IFC FOR A CONTINGENCY FUND REQUEST SHOULD IT BECOME NECESSARY.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Ms. Giunchigliani pointed out that the Subcommittee did not approve the new charter school consultant requested in BA 2673 and noted that funding for the position was included in The Executive Budget. She suggested approving a position at the same funding level for a new social studies consultant position. Ms. Giunchigliani thought perhaps the approved special education charter school position could pick up some of the charter school duties required under BA 2673.

Senator Cegavske said there needed to be a motion to reopen the hearing on BA 2673.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO REOPEN BA 2673.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

Senator Raggio interjected that his suggestion had been that it might be feasible that the new social studies position could perform some of the charter school duties. The Senator indicated he did not think the special education charter school position was the appropriate position to perform the kinds of tasks required of the charter school consultant requested in BA 2673. Senator Raggio requested clarification from the Department on which option discussed by the Subcommittee was feasible.

Dr. Rheault agreed with Senator Raggio's assessment and noted that the charter school position requested in BA 2673 required a broad background in all areas of education. The Department had requested the charter school consultant for



special education, which was a specialized field. Dr. Rheault said he thought it was possible to earmark a portion of the social studies position, either 50 percent or 25 percent, to work on charter school technical assistance issues. The state was spending millions of dollars on charter schools through the DSA, and Dr. Rheault said he thought it was important to have a position focused on the technical assistance, which could save a great deal of money "down the road."

Senator Raggio asked Dr. Rheault what his suggestion would be for a new position. Dr. Rheault said there was a strong need for the charter school position and the social studies position and said at a minimum he would recommend 25 percent of the position be dedicated to charter school technical assistance, but he preferred 50 percent.

Senator Raggio said he would support a motion to that effect. He said it was obvious that the charter school position for special education could not fulfill the role. Dr. Rheault agreed.

Senator Titus pointed out that both special education and social studies were specialized. She understood that the special education charter position could not fill the charter school position recommended in BA 2673, but could provide some relief for the existing charter school consultant. The Senator said she supported the social studies position and would certainly support the 75/25 percent split. Senator Titus asked if her recommendation could be presented as a motion.

Chairwoman Cegavske recalled that Dr. Rheault had indicated that a 50/50 split would be desired, but a minimum of .25 FTE for the charter school technical assistance position was preferred. Dr. Rheault said Senator Cegavske was correct; the minimum would be a .25 FTE. He noted that the charter school consultant for special education could work with the .25 FTE on technical assistance for the charter schools. Dr. Rheault indicated that the Department could return to the 2007 Legislature if the additional position was not sufficient.

Senator Cegavske said there had been a motion and a second and asked if Ms. Giunchigliani wanted to restate her earlier motion.

Assemblywoman Giunchigliani moved to approve a .25 FTE consultant position for charter school technical assistance and a .75 FTE consultant position for social studies.

Mr. Denis pointed out that the motion to reopen BA 2673 had not been approved. Senator Cegavske said Mr. Denis was correct and asked all those in favor or reopening BA 2673 to indicate their vote.

THE MOTION CARRIED UNANIMOUSLY TO REOPEN BA 2673.

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ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO APPROVE A  
.75 FTE CONSULTANT POSITION FOR SOCIAL STUDIES AND A  
.25 FTE CONSULTANT POSITION FOR CHARTER SCHOOL  
TECHNICAL ASSISTANCE IN BA 2673.

ASSEMBLYMAN DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senator Cegavske adjourned the meeting at 10:20 a.m.

RESPECTFULLY SUBMITTED:

\_\_\_\_\_  
Linda Smith  
Committee Secretary

APPROVED BY:

\_\_\_\_\_  
Senator Barbara Cegavske

DATE: \_\_\_\_\_

\_\_\_\_\_  
Assemblywoman Shelia Leslie

DATE: \_\_\_\_\_

<u>EXHIBITS</u>			
<b>Committee Name:</b> <u>Assembly Committee on Ways and Means/Senate Committee on Finance Joint Subcommittee on K-12/Human resources</u>			
<b>Date:</b> <u>May 11, 2005</u>		<b>Time of Meeting:</b> <u>8:00 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B	Bob Atkinson, LCB	Group Health Insurance Handout
	C	Bob Atkinson, LCB	Textbook and Related Expenditures Handout
	D	Bob Atkinson, LCB	DSA closing document
	E	LCB Fiscal Staff	Department of Education closing document