

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-fourth Session
March 6, 2007**

The Senate Committee on Finance was called to order by Chair William J. Raggio at 8:05 a.m. on Tuesday, March 6, 2007, in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator William J. Raggio, Chair
Senator Bob Beers, Vice Chair
Senator Dean A. Rhoads
Senator Barbara K. Cegavske
Senator Bob Coffin
Senator Dina Titus
Senator Bernice Mathews

STAFF MEMBERS PRESENT:

Gary L. Ghiggeri, Senate Fiscal Analyst
Sandra K. Small, Committee Secretary

OTHERS PRESENT:

Pamela B. Wilcox, Acting Administrator, Division of Conservation Districts,
State Department of Conservation and Natural Resources
David K. Morrow, Administrator, Division of State Parks, State Department of
Conservation and Natural Resources
Steve K. Walker, President, Walker & Associates
Doug Martin, District Manager, Nevada Tahoe Conservation District
Kyle Davis, Policy Director, Nevada Conservation League
Cynthia N. Kirkland, Brigadier General, The Adjutant General of Nevada, Office
of the Military
Nancy A. Gordon, Vice President, Austin Historical Society
Ralph Young, Chairman, Committee for the Acquisition of Austin School
Gene P. Etcheverry, Executive Director, Board of Commissioners, Lander County
Joan Williams, Treasurer, Austin Historical Society
Joe deBraga, Director of Curriculum, Instruction and Technology, Elko County
School District
Susan Lawrence, Special Services Director, Special Services, Elko County
School District
Debbie Heaton-Lamp, President, Parent Advocacy Group for Educational
Excellence
Jackson Paris, Second Grade, Mountain View Elementary School, Elko
Mason Allard, Fourth Grade, Mountain View Elementary School, Elko
Amelia Lamp, Fourth Grade, Mountain View Elementary School, Elko
Andrew Bonich, Sixth Grade, Spring Creek Middle School, Spring Creek
Kelsey Lamp, Seventh Grade, Elko Junior High School, Elko
David Morris, High-School Junior, Spring Creek
Neil McQueary, Ruby Valley
Philip M. Ringle, Ph.D., President Truckee Meadows Community College
Jim Richardson, Ph.D., Nevada Faculty Alliance

Senate Committee on Finance
March 6, 2007
Page 2

Major Brian Sanchez, Nevada Highway Patrol, Department of Public Safety
John Borrowman, Administrative Services Officer, Nevada Highway Patrol,
Department of Public Safety
Miles Celio, Administrative Services Officer, Office of the Military

CHAIR RAGGIO:

Are there any preliminary matters, bills for committee introduction or bill draft requests? Hearing none, we will begin with Senate Bill (S.B.) 55.

SENATE BILL 55: Authorizes the issuance of general obligation bonds to carry out the Environmental Improvement Program in the Lake Tahoe Basin. (BDR S-250)

PAMELA B. WILCOX (Acting Administrator, Division of Conservation Districts, State Department of Conservation and Natural Resources):

In 1997, the President, Vice-President and many others in all parties and branches of government, came to Lake Tahoe and pledged to form a partnership to implement the Lake Tahoe Environmental Improvement Program (LTEIP). We are in the tenth year of that program. Nevada committed \$82 million, and this year we are asking for bonding authority needed to fulfill that \$82 million commitment. The Committee has received a copy of the Division of State Lands Information Sheet, Lake Tahoe Environmental Program Update ([Exhibit C](#)). This is the standard report we give the Committee every Session showing the progress made since last Session, the projects that have been completed, those in progress and those to be completed. This bill requests authority for \$9,057,000 in bonding. Of the 124 projects Nevada has committed for the LTEIP, 65 have been completed. There are 37 projects in progress and 22 remain to be initiated. These projects are listed in [Exhibit C](#). We are requesting an amendment to S.B. 55 as indicated in the Language Amendment Request ([Exhibit D](#)). The bill describes how the funds will be used. Since the bill draft was requested, The Division of State Parks has moved up the timing for the implementation of the first construction of the Van Sickle Unit of the Nevada Tahoe State Park. Accordingly, we are asking for a change to shift \$3 million from water-quality funds and forest-health funds to the Van Sickle Unit.

CHAIR RAGGIO:

Do you have more information on the Van Sickle Unit?

MS. WILCOX:

The Van Sickle Unit property was donated to the State by the Van Sickle family in the 1980s. It consists of approximately 600 acres adjacent to the urban core at Stateline, Nevada. State Parks has been working with the State of California, because the access to the property is in California, and has completed the planning phase. The Unit will have a day-use area and camping. The first phase of construction is for the entry, rest room, day-use area and parking.

CHAIR RAGGIO:

Is State Parks still in the design stage?

MS. WILCOX:

We are finished with the design phase and are in the first construction phase.

CHAIR RAGGIO:

When will the construction on the Van Sickle property be completed?

DAVID K. MORROW (Administrator, Division of State Parks, State Department of Conservation and Natural Resources):

The Committee has before it Van Sickle CA/NV Bi-State Park ([Exhibit E](#), original is on file in the Research Library). This exhibit includes an overview of the project, including the first phase of construction, and a map of the park location. The first phase of construction involves a day-use area in California which Nevada is not constructing. That day-use area will be developed by the California Tahoe Conservancy (CTC). Nevada will be developing a trailhead, restroom and a connection to the Tahoe Rim Trail. If the project goes forward, it will include a campground and group-use area. The first phase of construction makes the park operational and provides connectivity behind the casinos.

CHAIR RAGGIO:

What structures are contemplated?

MR. MORROW:

The first phase of construction includes a restroom, a parking lot, roads and utilities on the Nevada side. On the California side, there will be an entrance station, a restroom, an access road and utilities.

CHAIR RAGGIO:

What is the total authorization request?

MS. WILCOX:

The authorization in this bill totals \$9,057,000.

CHAIR RAGGIO:

What portion of that amount is for the Van Sickle Unit?

MS. WILCOX:

The Van Sickle Unit would receive \$3 million for construction of the first phase.

CHAIR RAGGIO:

Is the construction outlined in [Exhibit E](#)?

MR. MORROW:

Yes, it is.

CHAIR RAGGIO:

Is all of the Van Sickle property donated to State Parks in Nevada?

MR. MORROW:

The 542 acres of donated property is in Nevada. The CTC also acquired a piece of property in California as shown on page 4 of [Exhibit E](#).

CHAIR RAGGIO:

What is currently on that property? Is it in use?

MR. MORROW:

It is used frequently, but there is no development.

Ms. WILCOX:

Section 2, line 12, page 4, of S.B. 55 authorizes the expenditure of funds for the fiscal year (FY) 2008-2009. Last Session we extended the period in which bonds may be sold to FY 2009-2010 expecting to have the last bond sold in 2010 with expenditures to continue for two additional years. We need S.B. 55 to authorize the sale of bonds through FY 2009-2010 with the funds remaining available for expenditure through FY 2011-2012.

CHAIR RAGGIO:

Is this an additional amendment to S.B. 55?

Ms. WILCOX:

Yes, as recommended by staff. I will provide the information to staff.

CHAIR RAGGIO:

This is a partnership between the federal government and California. Have they participated to the full extent of their commitment?

Ms. WILCOX:

Yes, they have. The \$300 million federal commitment was authorized through the Lake Tahoe Restoration Act using funds generated from the Southern Nevada Public Land Management Act. Much of the federal funds have been expended. The state of California had a commitment somewhat below \$300 million which has been expended.

CHAIR RAGGIO:

Does this complete our commitment?

Ms. WILCOX:

This bonding will fulfill the \$82-million commitment made in 1997. The Lake Tahoe oversight committee is aware all of the partners are working on determining the type of commitment needed in the future. We expect an announcement regarding that during the tenth anniversary event this summer.

CHAIR RAGGIO:

To what type of announcement are you referring?

Ms. WILCOX:

The announcement will state what the Tahoe Regional Planning Association and other partners believe will be needed in the future at Lake Tahoe.

SENATOR COFFIN:

People from Douglas County have been asking for support of a room tax in that area. The funds would be used to build hotels and a convention center. How does this building relate geographically to the Van Sickle project?

Ms. WILCOX:

I am not aware of the proposal to which you are referring.

CHAIR RAGGIO:

Senator Coffin is referring to a proposal to increase the room tax to raise approximately \$15 million in Nevada for a California project which involves a convention center and other buildings.

MS. WILCOX:

The area related to the room tax is in the casino core on Highway 50 and the Stateline redevelopment area. The Van Sickle project is between the casino core and the Heavenly Valley Ski Resort. It is within easy walking distance which is why it is a good park site.

SENATOR COFFIN:

Will we be financing the improvement on the California side as shown on the map in [Exhibit E](#)?

MS. WILCOX:

The Van Sickle project will expend Nevada funds on the Nevada side. This is a project in partnership with California which is expending funds on the California side of the state line.

STEVE K. WALKER (President, Walker & Associates):

The Truckee Meadows Board of Directors has asked me to represent their support of S.B. 55.

CHAIR RAGGIO:

Why is the Truckee Meadows Water Authority interested in this bill?

MR. WALKER:

Eighty percent of the water used by the citizens of Washoe County originates from the Truckee River. The source of that water is Lake Tahoe. Keeping the Lake clean keeps our facilities running clean.

SENATOR COFFIN:

Do you support the convention center project at the South Shore of Lake Tahoe which will consume water that would normally go to the Truckee Meadows?

MR. WALKER:

The Truckee Meadows Water Authority has not taken a position on that development.

DOUG MARTIN (District Manager, Nevada Tahoe Conservation District):

The Nevada Tahoe Conservation District (NTCD) supports S.B. 55. We have a good relationship with the Division of State Lands. The NTCD assists with erosion control projects in the Lake Tahoe Basin. Private donations are an important piece of conservation. There is over \$100 million coming from private citizens for their best-management practices on residential lots.

KYLE DAVIS (Policy Director, Nevada Conservation League):

The Nevada Conservation League supports S.B. 55.

CHAIR RAGGIO:

We will need amendments to S.B. 55. We will open the hearing on S.B. 73.

SENATE BILL 73: Provides for allowances for certain travel expenses incurred by Legislators during the legislative interim. (BDR 17-265)

SENATOR RHOADS:

Senate Bill 73 provides up to a \$5,000 allowance for certain travel expenses and is available to all Legislators. My district, the Rural Nevada Senatorial

District, contains 73,000 square miles which is two-thirds of the State. The distance from Denio to Caliente is 502 miles, longer than the drive from Reno to Los Angeles. Many times, if I have a meeting in Denio or Caliente, I fly to Las Vegas and rent a car. It usually takes me three days to get to a one-day meeting. The funds requested in S.B. 73 can only be used to attend a public meeting such as a county commission, city council, town board or school district. I suggest an amendment to section 1, subsection 1, page 2, line 5, by adding "or any meeting of a political subdivision." This bill applies to trips with a one-way distance of 50 miles or more or a round-trip distance of 100 miles or more. The Committee has been provided with a copy of the Nevada Legislative District Size Analysis ([Exhibit F](#)). There are 13 legislative districts in Nevada with a land area over 1,000 square miles. My district is the largest in the United States; larger than 34 individual states and larger than England. Last Session, the Senate passed this bill but it did not leave the Assembly.

CHAIR RAGGIO:
Please provide the amendment in written form.

SENATOR RHOADS:
I will do that.

CHAIR RAGGIO:
We will close the hearing on S.B. 73. There is a fiscal note attached to S.B. 73 indicating a cost of \$42,000 in FY 2007-2008 and \$21,000 in FY 2008-2009. We will open the hearing on S.B. 116.

SENATE BILL 116: Provides for a bonus to be paid to certain members of the Nevada National Guard and the Reserves called to active duty to combat terrorism. (BDR 36-13)

SENATOR COFFIN:
This bill is identical to a bill I introduced in 2005 in an attempt to provide a means of compensating our citizens and families who have made a great sacrifice due to the war on terror. The cause was evident in 2005 and is extremely obvious in 2007. Senator Schneider's name should be added to the list of nine sponsors. The families whose lifestyle has been interrupted; jobs have been terminated; lives have been upended and mental health has been damaged, need assistance. Since we did not envision in 2005 we would still be involved in this conflict, a lower amount was proposed as a bonus. In S.B. 116, I have asked for a bonus up to \$10,000 for each person. The amount of payment will be based on where the member of the Reserve or National Guard was stationed. The Committee has received a copy of a proposed amendment to S.B. 116 ([Exhibit G](#)). This amendment provides an option for individuals who qualify for the bonus but who choose not to receive these funds. They may contribute their share to the Patriot Relief Fund which was created during the 2005 Session. The funds in the Patriot Relief Fund are the responsibility of the Office of the Military Adjutant General.

The National Guard and Reserve have enlistment quotas to meet. According to the media, those quotas are being met. Deceptive practices are being used to meet those quotas. We are creating mercenaries of young children. The Committee has a copy of "This is not a credit card. This is MONEY IN THE BANK" ([Exhibit H](#)). This document was received by my son who left high school last year. At the Military Ball Saturday night, an officer asked how I would

counter the argument that a payment to a volunteer soldier is a mercenary move. I replied that a definition of a mercenary is considerably different than the commonly accepted one. A mercenary is a person who hires out to be a war fighter for any cause. The people who volunteer to be our guardsmen and reservists are volunteers. They receive token compensation. We have a desperate situation now where the National Guard and Reserve comprise one-third of the forces in the battle zone. To attract young men and women of an impressionable age, recruitment includes receipt of a credit card. We have become a nation creating a mercenary force. I am not suggesting we offer anything like this to our veterans. We have education benefits and other proposals offered this year to support the veterans.

CHAIR RAGGIO:

Nevada's budget has a spending cap this Session. The fiscal note submitted by the Office of the Military on S.B. 116 in FY 2007-2008 is over \$25 million and in FY 2008-2009 it is over \$2.7 million. There are limitations on what the Legislature is able to fund. There are proposals outside of the budget presented by the Governor, including full-day kindergarten and homeless bills.

SENATOR COFFIN:

There are millions of dollars in the Governor's budget proposed to be spent on behalf of organizations and special projects which exceed the amount requested in S.B. 116. Governor Gibbons has said he will support and sign S.B. 116.

CYNTHIA N. KIRKLAND (Brigadier General, The Adjutant General of Nevada, Office of the Military):

The Office of the Military appreciates everything Senator Coffin and the Legislature has done over the last several years to address the shortfalls we have in providing resources and support to the young men and women who support this nation's fight against terrorism and the challenges we have in Nevada. Supporting this bill is challenging due to the large dollar amount. The introduction of this bill means so much to the young men and women who know the elected officials have their welfare and interests in mind. The Patriot Relief Fund has regulations and processes in place to provide benefits approved last Session. Many individuals have taken advantage of the insurance rebates and the textbook reimbursements. There are limited opportunities to take advantage of school. Resources nationwide are limited. We want to ensure the soldiers, airmen, sailors and marines, who have volunteered and put their life on the line for this country, are not financially or emotionally harmed in the process. Because the resources are limited, many of the young men and women fall through the gap. When a soldier deploys for a year, even if not financially harmed in income directly, the sole remaining provider either has to go to work or work is now challenged with day-care issues. There are costs affecting our volunteers. I would support anything you can do to help so they can focus on the mission and come home safely.

CHAIR RAGGIO:

What benefits, either federal or state, are available to members of the Reserve or National Guard who are residents and discharged?

ADJUTANT GENERAL KIRKLAND:

The federal benefits are nonexistent in terms of employment gaps. The State has insured that individuals who are members of the reserve components and

are State employees receive differential pay. Many of the private employers within the State are doing the same.

CHAIR RAGGIO:
Is that a benefit during their service?

ADJUTANT GENERAL KIRKLAND:
That is correct.

CHAIR RAGGIO:
What benefits are available after discharge?

ADJUTANT GENERAL KIRKLAND:
Federal laws provide relief from bill collectors and home eviction during mobilization and for a period of time after returning home so they can catch up on bills.

CHAIR RAGGIO:
Do they receive any payments?

ADJUTANT GENERAL KIRKLAND:
They do not. We do not have a significant number of individuals in a difficult financial position. We direct them to organizations for loans or grants.

SENATOR TITUS:
Are there higher-education benefits?

ADJUTANT GENERAL KIRKLAND:
Yes, there are. Nevada has granted a tuition waiver for members of the National Guard. Many of them cannot take advantage of this when deployed. The new operational reserve requires our reserve component members, both Guard and Reserve, be mobilized more frequently than in the past. Many have served 20 years in the reserve component, and if they deployed for a contingency, it was for a brief time. Now the commitment expected is one year out of every four. This impacts their ability to establish stable careers and lives at home.

SENATOR TITUS:
Has that affected recruiting?

ADJUTANT GENERAL KIRKLAND:
Nevada's recruiting challenges are not as bad as in the rest of the country for two reasons: the increasing population of the State gives us a larger pool of candidates and the fact that Nevada provides one of the best benefit packages for men and women who join the Guard.

SENATOR TITUS:
Does Nevada have a disproportionate number of reservists in Iraq and Afghanistan?

ADJUTANT GENERAL KIRKLAND:
Right now we do not. About two years ago, Nevada had over 60 percent of our Army National Guard forces deployed overseas. The commitment made by the national authorities was to never exceed 25 percent of the force. About 26 percent of our forces are now deployed.

Senate Committee on Finance
March 6, 2007
Page 9

SENATOR TITUS:

Is that standard across the country?

ADJUTANT GENERAL KIRKLAND:

That is the average. Some states have larger organizations that deploy as a whole. If a state has a brigade, it deploys as a unit, as happened in Louisiana.

SENATOR COFFIN:

If a person responds to a solicitation such as [Exhibit H](#), are they directed to a local office to complete enlistment?

ADJUTANT GENERAL KIRKLAND:

I would like to see a copy of [Exhibit H](#). This is the first time I have seen or heard of this recruitment practice. I do not know if the State recruiting office is aware of this document.

CHAIR RAGGIO:

Since there is no further testimony on S.B. 116, we will open the hearing on S.B. 125.

SENATE BILL 125: Makes an appropriation to the Austin Historical Society for an appraisal of the old Austin Elementary School. (BDR S-987)

SENATOR RHOADS:

This bill is to transfer ownership of the old Austin Elementary School, built in 1926, to the Austin Historical Society. The Committee has before it a photograph ([Exhibit I](#)) of the school. The Committee also has a copy of the proposed amendment ([Exhibit J](#)) which deletes the bill as a whole and authorizes the Lander County School District to donate the school to the Austin Historical Society. The original bill appropriates \$25,000 to pay for the two appraisals required by State law before the school district can sell the building. It would be simpler to have the Legislature authorize the donation and not have the school district go through the usual sale process. The Legislature routinely authorizes the State's donation of land. There is precedent for the proposed amendment. The Lander County School District supports this amendment.

CHAIR RAGGIO:

For what is the school currently used?

NANCY A. GORDON (Vice President, Austin Historical Society):

The school has been closed for three years. There is a community committee to develop ideas and uses for the school. The Committee has received a copy of Austin Historical Society ([Exhibit K](#)) which contains a description of the property. We plan to apply for various grants available to nonprofit organizations. The entire community is involved in this endeavor. The Historical Society's goal is to preserve Austin's architectural heritage. The old elementary school has been on the National Register of Historic Places since July 2000 and was attended by the majority of Austin's residents.

CHAIR RAGGIO:

Where do the children attend school now?

MS. GORDON:

There is a new school.

CHAIR RAGGIO:

What is the Austin Historical Society?

MS. GORDON:

We are a group of community members wanting to preserve Austin's history. Austin has 11 sites on the National Register. This past year we opened a new museum with artifacts donated or loaned to us.

CHAIR RAGGIO:

What do you plan to do with the elementary school?

RALPH A. YOUNG (Chairman, Committee for the Acquisition of Austin School):

It is the desire of the school district to dispose of this facility by transferring it to the Austin Historical Society. The problem we are concerned with is the \$25,000 appraisal cost. We have asked for the waiver of that appraisal so the school district can donate the building to the Society. We are interested in preserving the building and using it as an economic base for Austin. We are struggling in Austin to maintain a viable community. Austin is 60 miles from any other community and supports large mining and ranching industries. The school could be used for youth activities, cultural events and seminars. The use of the school would be an ongoing process. The doors of the school were closed in 2003 and 2004, and nothing has been done with it since. It is a liability to the school board. The Historical Society is willing to take that liability.

CHAIR RAGGIO:

How will you fund the operation and maintenance of the school?

MR. YOUNG:

There are several grants available to maintain and upgrade the building. There is an opportunity for the building to generate income by renting out a portion for seminars and other activities.

CHAIR RAGGIO:

If the State authorizes this transfer, would the Historical Society want funds in the future to support the operation and maintenance of this building?

MR. YOUNG:

Our hope is the facility will be self-sustaining. There are renovations needed.

CHAIR RAGGIO:

How is the Historical Society currently funded?

MS. GORDON:

We received grants to buy the museum building in Austin, for advertising and for equipment purchases.

CHAIR RAGGIO:

How do you fund operations and maintenance?

MS. GORDON:

We met with the Lander County School District Superintendent, Mr. Curtis Jordan, who indicated there are economic-development grants available.

MR. YOUNG:

It was proposed the school be donated to the Austin Historical Society because it is an existing entity. That is not to say that once the transfer is made, from the school board to the Historical Society, another entity would not be organized to assure the sustainability of the school and activities taking place there.

CHAIR RAGGIO:

Do you anticipate it might be sold to private interests?

MR. YOUNG:

At town meetings, there has been strong opposition to selling the building to private interests.

CHAIR RAGGIO:

Does the Lander County School District agree with the donation?

MR. YOUNG:

The school district wants to dispose of the building. It is a white elephant for them.

SENATOR BEERS:

Was a new school built because the old one was a maintenance problem?

MR. YOUNG:

The old school housed both high-school and elementary students. The new school was built to separate those age groups. Enrollment has decreased over the last few years to the point the school board, as a cost saving measure, decided to move the elementary students to a modular facility at the new school. The old school housed the elementary school after the high-school students moved to the new facility. The current enrollment does not justify two buildings.

SENATOR BEERS:

Do you have enough material to display in a new facility?

MR. YOUNG:

Our effort is to do what is possible to bring activity to Austin. This building is a great resource.

MS. GORDON:

We have had requests from out-of-towners for seminar facilities which we currently do not have.

SENATOR BEERS:

Does your town board approve of this endeavor?

MR. YOUNG:

The town board consists of the county commissioners who do support this plan.

CHAIR RAGGIO:

The proposed amendment in [Exhibit J](#) would provide the building and land revert to the school district if the building is no longer used and maintained for its historical qualities. Do you support that amendment?

MR. YOUNG:

No; if the facility is donated to the Historical Society, it should be a permanent change.

CHAIR RAGGIO:

Do you want to comment on that portion of the proposed amendment, Senator Rhoads?

SENATOR RHOADS:

We will have further discussions on this issue.

GENE P. ETCHEVERRY (Executive Director, Board of Commissioners, Lander County):

The Austin town board, by statute, is the Lander County Commission. As a Commission, we support S.B. 125.

JOAN WILLIAMS (Treasurer, Austin Historical Society):

The Austin Historical Society has been incorporated since 1992. We are a registered nonprofit organization. We hold fund-raisers throughout the year in addition to the grants received.

CHAIR RAGGIO:

There being no further testimony on S.B. 125, we will open the hearing on S.B. 126. This bill was introduced by Senator Rhoads to make an appropriation of \$1,199,766 to the Elko County School District.

SENATE BILL 126: Makes an appropriation to the Elko County School District for a program to address the educational needs of gifted and talented pupils. (BDR S-246)

SENATOR RHOADS:

This bill provides a pilot program for the gifted and talented (GT) students in Elko County.

JOE DEBRAGA (Director of Curriculum, Instruction and Technology, Elko County School District):

The Committee has received a copy of the "Presentation to Nevada State Senate Finance Committee, Senate Bill 126" ([Exhibit L](#), original is on file in the Research Library) which contains letters of support from the Elko County School District, the Elko County Board of Commissioners, the Nevada Parent Teacher Association, Neil McQueary, Debbie Heaton-Lamp, Amelia Lamp, Mason Allard, Andrew Bonich, Kelsey Lamp, Alan J. Morris, Lynne E. Volpi, Carrie Allard, Annette Kerr, Suzy and John Palacio and McMullen, McPhee & Company LLC, as well as additional information regarding this bill.

Increasing student achievement is one of the school district's main goals. The key to achieving that goal includes dedicated and highly-effective teachers, teachers who can reach all levels of students through differentiated instruction and teachers who engage students and make learning relevant to each student. Teachers teach based on their past experiences gained during preservice and in-service training, professional development, what they learn in the teachers' lounge and their own experiences as a student.

Children are changing. They are digital natives rather than digital immigrants. Their brains are changing. In [Exhibit L](#) you will see pictures of "spot technology" where keyboards are projected. The children are buying and using the technology. The glasses shown in the picture can translate a foreign language, seen on the screen, to English. This is changing the brain development of the students. Students' multi-tasking is now referred to as toggling. When students are in the classroom where it is "sit and get," they are not engaged. The student survey from the International Center for Leadership and Education, shown in [Exhibit L](#), indicates how low teachers are ranked in making school an exciting place to learn and in helping a student understand everyday life. Teachers need to provide differentiated, rigorous and relevant instruction. Teachers who do these things can reach the special-education students and the advanced learners in their class. If the teacher is teaching to the middle group, parents on both ends of the spectrum are not happy. If we differentiate instruction, we can meet the needs of all. Relevance frameworks are depicted on page 6 of [Exhibit L](#). Instruction is occurring in the "A" quadrant with low rigor and relevance, low application and low on the knowledge side. We want our instruction to occur in quadrant "D." That will increase student achievement. This is the instruction quadrant high-level achievers expect. There is financial information on pages 21 through 23 of [Exhibit L](#). We want to hire more instructional coaches and GT specialists to support teachers in the classroom on an ongoing basis. We want to train all teachers in differentiated instruction. It is difficult in our district because people are so spread out. It costs approximately \$188,000 to train all teachers. Most of that cost goes to pay substitutes. We prefer to stop buying programs and prefer to invest in people. We need people working with teachers in the classroom.

CHAIR RAGGIO:

Why does it take over \$1 million for a pilot program?

MR. DEBRAGA:

Staffing is the largest cost in this request.

CHAIR RAGGIO:

Is any part of this program currently operating?

MR. DEBRAGA:

We have three GT specialists in the district funded through special education units. We also have instructional coaches in the district funded by S.B. No. 404 of the 73rd Session. Our concern is the funding may disappear and we would lose the coaches. It is the best program we have in the Elko County School District.

CHAIR RAGGIO:

Are you utilizing funds from the Commission on Excellence?

MR. DEBRAGA:

No, we are not. We have contracted with the International Center for Leadership and Education to advise us on how to improve our school district.

CHAIR RAGGIO:

How many GT students are in the program?

SUSAN LAWRENCE (Special Services Director, Special Services, Elko County School District):

We have 140 students in Grades 3 through 6 identified as GT. We would like to expand this program.

CHAIR RAGGIO:

How many students would an expanded program accommodate?

MS. LAWRENCE:

If we expand Grades 2 through 8, the number of students would double. We are also requesting assistance to expand opportunities for high-school students with advanced-placement (AP) classes which would increase the number of students.

MR. DEBRAGA:

We need to add cluster teachers to work with the students, hire a GT coordinator, provide mentorships and externships and increase the budget for supplies and equipment. We want to expand opportunities for AP students. In our district, we are broadcasting AP classes interactively from Elko High School to Wendover, Owyhee, Wells and Jackpot. We would like an external evaluator to evaluate the program. Another goal is to create an educational environment within each school where parental involvement is welcome; and to encourage parental support of the District's education goals, the mandates affecting public education as a whole and our expectations for their participatory role in the education of their children. We worked with the Parent Advocacy Group for Educational Excellence (PAGE) to develop this plan.

DEBBIE HEATON-LAMP (President, Parent Advocacy Group for Educational Excellence):

The PAGE supports passage of S.B. 126. My letter of support is on page 10 of [Exhibit L](#). We have spent the last two years working with the school district to improve programming for gifted and high-level learners. Low-cost solutions have been implemented. Research shows 15- to 20-percent of high-school dropouts are gifted children. During my last 13 years in Elko as a marriage and family therapist, I have seen many gifted children who are depressed, anxious, unmotivated and on the verge of giving up. All students have the right to go to school and learn something every day. Funding this pilot program will provide challenging curriculum, trained teachers and GT specialists to motivate students.

SENATOR CEGAVSKE:

Will it be difficult to find qualified teachers in Elko?

MR. DEBRAGA:

We do have a difficult time finding teachers in Elko. We recruit throughout the country, primarily in rural areas such as Wyoming, the Dakotas and Idaho. We have many high-level teachers in our district able to enter the instructional coach positions. Great Basin College has an elementary teaching program graduating outstanding teachers.

JACKSON PARIS (Second Grade, Mountain View Elementary School, Elko):

I do not like doing things over and over in school. I would like to learn at a more advanced level. Please support S.B. 126.

MASON ALLARD (Fourth Grade, Mountain View Elementary School, Elko):

I am a GT student and support S.B. 126 because I believe there should be more services for students. A written copy of my testimony is on page 12 of [Exhibit L](#). I am not looking forward to high school where there are no GT services.

AMELIA LAMP (Fourth Grade, Mountain View Elementary School, Elko):

I am a GT student in support of S.B. 126 because my teachers make things more challenging. My testimony is on page 11 of [Exhibit L](#).

ANDREW BONICH (Sixth Grade, Spring Creek Middle School, Spring Creek):

I am a GT student, but there are no advanced programs at my school for 6th, 7th or 8th grades. No one wants to be different in middle school. Some GT children do not want to be teased or called nerds. If you pass S.B. 126, GT students will excel because they will be in classes with other smart pupils. Study hall for a GT student is a waste of time because we have completed our class work and do not have any homework to complete. If I lived in Las Vegas or Reno, I would have the choice of attending a school with advanced programs. There is nothing in Elko for me.

KELSEY LAMP (Seventh Grade, Elko Junior High School, Elko):

I am here to support S.B. 126. In elementary school, challenging classes were available for the GT student. There is no challenge in junior high school. I do not like learning the same things over and over. I no longer like school. If we had a GT specialist, school would be challenging again. With the pilot program, the teacher would have guidance and advice from the specialist. My testimony is on page 14 of [Exhibit L](#).

DAVID MORRIS (High-School Junior, Spring Creek):

This bill will help gifted education in Nevada. The passage of S.B. 126 will create a pilot program in Elko County. I was born and raised in Elko County and was identified for the GT program in second grade. I participated in the GT program until sixth grade after which GT programs were no longer available. There are AP classes in high school for college credit. However, these classes are not always available and some are inadequate. There is not enough money to train teachers to teach honors and AP courses and there is no GT support. The proposed bill will solve both of these problems. The lack of support beyond elementary school is a problem. Gifted students have psychological concerns. One of the biggest is to "dumb yourself down" to get along with other students. This pressure has had a negative impact on some of my old GT friends; one dropped out; another is addicted to narcotics. If S.B. 126 is passed, the school district will have the money and resources to educate counselors and teachers on the special needs of GT students. It would be easy to spend too much time focusing on the facts in this case and forget about the affected students.

NEIL MCQUEARY (Ruby Valley, Nevada):

My comments appear on page 8 of [Exhibit L](#). The GT students are different. They learn differently and their emotional needs are different. This pilot plan has taken two years of collaboration between Elko County School District, PAGE and State and local experts on gifted education and differentiated education. We feel S.B. 126 is a good investment of taxpayer dollars. We hope to keep our intelligent and well-educated students in this area. The independent evaluation included in the pilot program is to give you confidence in our desire to develop the program.

CHAIR RAGGIO:

All of the bills discussed today need to be considered by the Senate and the Assembly. Passage is dependent upon available funding.

SENATOR CEGAVSKE:

Does this fall under the Governor's empowerment guidelines?

CHAIR RAGGIO:

We are going to get the guideline details today. There being no further testimony on S.B. 126, we will now hear S.B. 127.

SENATE BILL 127: Makes an appropriation to Truckee Meadows Community College for the design and planning of the Spanish Springs Education Center. (BDR S-1079)

PHILIP M. RINGLE, Ph.D. (President, Truckee Meadows Community College):

This site was included in our 2004 facilities master plan wherein Spanish Springs was identified as an underserved community. We were fortunate to receive a six-acre, \$3.1 million donation of land from a local developer, with a four-year sunset clause, located at the corner of Pyramid Way and Eagle Canyon Road. The Committee has received a copy of "Truckee Meadows Community College (TMCC) Spanish Springs Higher Education Center" ([Exhibit M](#), original is on file in the Research Library) which contains the highlights of my testimony in favor of S.B. 127.

We are in the third year of the sunset clause. We are ranked the 26th fastest-growing community college in the nation with enrollments over 10,000. Spanish Springs is the fastest-growing area in Washoe County. The college is desperate for classroom and lab space. The 2005 facility master plan indicated a 136,190 square foot deficit in space. There have been no new classrooms approved since the Redfield campus. The new location offers opportunities to partner with child-care centers, schools and businesses in the area. The project has been endorsed by the entire community. The TMCC Foundation pledged to raise \$3.5 million toward construction of the building. This new site would ease some of the pressure on the Dandini campus. Maps, planned usage of the 90,000 square foot building and artist's renderings of the building are included in [Exhibit M](#). The building will be Leadership in Energy and Environmental Design certifiable. Because the building will be part of a planned community, an access road and all utilities will be brought to the site. Water, sewer, gas, electric, fiber-optic communication and effluent water will be available this July.

CHAIR RAGGIO:

The six acres were donated by the developer. What must happen before the four-year sunset?

DR. RINGLE:

The developer must see some progress such as plans developed or approval by the Legislature for the building or planning.

CHAIR RAGGIO:

When does the four-year window expire?

DR. RINGLE:

It will end during this biennium.

CHAIR RAGGIO:

You indicated over 1,300 students did not enroll in TMCC for lack of space.

DR. RINGLE:

We track all enrollment attempts. These students could not get into a class of their choice because the classes were filled. They looked for other choices at the times they can attend. There were no available classes at their desired time so they chose not to enroll in college at all.

CHAIR RAGGIO:

Is this on the list of capital improvement projects?

DR. RINGLE:

It is eighth on the priority list.

SENATOR MATHEWS:

Dr. Ringle has brought us everything we need to know about S.B. 127 which I support.

JIM RICHARDSON, PH.D. (Nevada Faculty Alliance):

I am in support of S.B. 127. The donated land is a remarkable asset.

DR. RINGLE:

The State Public Works Board has not recommended any new construction for higher education.

SENATOR TITUS:

Would the funding for this project be outside the cap and fit under the capital improvements appropriation?

CHAIR RAGGIO:

The funding would be outside the cap, but it also depends upon the availability of funds. Your foundation has committed to raising funds for the construction. What is that status?

DR. RINGLE:

They are waiting for a commitment from the Legislature.

CHAIR RAGGIO:

There being no other testimony, we will close the hearing on S.B. 127 and open the hearing on S.B. 187.

SENATE BILL 187: Makes a supplemental appropriation to the Nevada Highway Patrol Division of the Department of Public Safety to pay the increased costs of vehicle operation. (BDR S-1264)

MAJOR BRIAN SANCHEZ (Nevada Highway Patrol, Department of Public Safety):

This request is directly related to fuel costs which have increased since the budget was approved. We are requesting an additional \$1,015,040 for the remainder of this year. The amount in this request is based on August 2006 prices. We will work with staff to make adjustments and to define the actual dollar amount needed as it applies to the current cost of fuel. We request an amendment to this bill for a projected shortfall in category 1 salaries in the

amount of \$336,202. We will provide the requested amendment to the Committee.

CHAIR RAGGIO:

Is the amendment for a shortfall in salaries during the FY 2006-2007?

MAJOR SANCHEZ:

That is correct.

CHAIR RAGGIO:

Is the \$1,015,040 correct for the increased cost of vehicle operation?

MAJOR SANCHEZ:

That estimate is based on August 2006 prices. We will work with staff to develop numbers based on current prices.

CHAIR RAGGIO:

When will the amendment be ready?

JOHN BORROWMAN (Administrative Services Officer, Nevada Highway Patrol, Department of Public Safety):

We will be working with staff and expect the final numbers will be ready by the middle of April. The current funding will allow us to operate until the end of April.

CHAIR RAGGIO:

We need to process this rapidly and get it to the Assembly.

SENATOR TITUS:

Why are the supplements for FY 2006-2007 coming to this Committee rather than the Interim Finance Committee (IFC)?

GARY L. GHIGGERI (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The IFC is prohibited by statute from approving allocations during a Legislative Session.

CHAIR RAGGIO:

There being no further testimony on S.B. 187, we will move to S.B. 188.

SENATE BILL 188: Makes a supplemental appropriation to the Adjutant General of the Office of the Military to cover utility costs for the State's armories. (BDR S-1262)

MILES CELIO (Administrative Services Officer, Office of the Military):

This request is for \$120,000 to cover utility costs. I would like an amendment to reduce this supplement to a total of \$39,500. We work with a federal fund manager who supports us in a 50/50 split. In September 2006 he was told his funds would be limited starting October 1, 2006. We were fortunate in that he is now able to provide funds until March 2007. The requested funds are for April, May and June 2007.

CHAIR RAGGIO:

Is staff aware of the adjustment to \$39,500?

MR. GHIGGERI:

Staff received a communication late yesterday afternoon as to the amount, but would like to have an opportunity to review those numbers.

SENATOR TITUS:

Why is the federal government cutting off this subsidy?

MR. CELIO:

Four or five years ago, all the armory utilities were funded 100 percent by the State. A number of states had a problem funding the utilities. The threat across the nation was to close the armories. The National Guard said they would fund utilities at a 50-percent level, but the funds would have to come out of the current federal budget until a cost basis for utilities could be developed. The federal fund manager is attempting to build that basis in his budget. We meet with him the 25th of each month to determine if he will be able to fund the next month's 50-percent portion.

SENATOR TITUS:

Do you anticipate an increase in utility bills?

MR. CELIO:

In this area, utilities have gone up approximately \$20,000 each year. We have eight armories in Nevada. Utilities refer to electricity, water, gas, sewer and garbage pickup. The two variables are electricity and gas.

SENATOR TITUS:

The Committee has heard the Governor did not provide funding for utility inflation.

MR. CELIO:

The federal government has supported us with \$150,000 which is more than what I put in the budget for FY 2005-2006 and FY 2006-2007. If the federal government continues to split the cost, we anticipate the cost to be \$171,000.

CHAIR RAGGIO:

Will there be any other amendment to this bill?

MR. CELIO:

The only amendment anticipated is for the change in amount.

Senate Committee on Finance
March 6, 2007
Page 20

CHAIR RAGGIO:
Most of the bills we heard today require an amendment. There being no further business to come before this Committee, we are adjourned at 10:00 a.m.

RESPECTFULLY SUBMITTED:

Sandra K. Small,
Committee Secretary

APPROVED BY:

Senator William J. Raggio, Chair

DATE: _____