

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON EDUCATION**

**Seventy-Eighth Session  
May 27, 2015**

The Committee on Education was called to order by Chair Melissa Woodbury at 3:22 p.m. on Wednesday, May 27, 2015, in Room 3142 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/78th2015](http://www.leg.state.nv.us/App/NELIS/REL/78th2015). In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Melissa Woodbury, Chair  
Assemblyman Lynn D. Stewart, Vice Chair  
Assemblyman Elliot T. Anderson  
Assemblyman Derek Armstrong  
Assemblywoman Olivia Diaz  
Assemblywoman Victoria A. Dooling  
Assemblyman Edgar Flores  
Assemblyman David M. Gardner  
Assemblyman Pat Hickey  
Assemblywoman Amber Joiner  
Assemblyman Harvey J. Munford  
Assemblywoman Shelly M. Shelton  
Assemblywoman Heidi Swank

**COMMITTEE MEMBERS ABSENT:**

Assemblyman Chris Edwards (excused)



**GUEST LEGISLATORS PRESENT:**

None

**STAFF MEMBERS PRESENT:**

H. Pepper Sturm, Committee Policy Analyst  
Kristin Rossiter, Committee Policy Analyst  
Karly O'Krent, Committee Counsel  
Joan Waldock, Committee Secretary  
Trinity Thom, Committee Assistant

**OTHERS PRESENT:**

Joyce Haldeman, Associate Superintendent, Community and Government Relations, Clark County School District  
Nicole Rourke, Executive Director, Government Affairs, Community and Government Relations, Clark County School District  
Lindsay Anderson, Director, Government Affairs, Washoe County School District  
Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber of Commerce  
Mary Pierczynski, representing Nevada Association of School Superintendents  
Ruben R. Murillo, Jr., President, Nevada State Education Association  
Vikki Courtney, President, Clark County Education Association  
Lauren Hulse, Executive Director, Charter School Association of Nevada  
Jessica Ferrato, representing Nevada Association of School Boards  
Patrick Gavin, Director, State Public Charter School Authority  
Craig M. Stevens, Director, Intergovernmental Relations, Government Affairs, Community and Government Relations, Clark County School District  
Seth Rau, Policy Director, Nevada Succeeds  
Victor M. Salcido, representing Academica Nevada  
Kathleen Conaboy, Chair, State Public Charter School Authority  
Ray Bacon, Executive Director, Nevada Manufacturers Association  
Laura Granier, representing Nevada Connections Academy, Reno, Nevada  
Peggy Lear Bowen, Private Citizen, Carson City, Nevada

**Chair Woodbury:**

[Roll was called. Protocol and procedures were explained.] We will open the hearing on Senate Bill 133 (1st Reprint).

**Senate Bill 133 (1st Reprint): Authorizes the reimbursement of teachers for certain out-of-pocket expenses. (BDR 34-118)**

**Joyce Haldeman, Associate Superintendent, Community and Government Relations, Clark County School District:**

I am here today to present Senate Bill 133 (1st Reprint) at the request of Senator Roberson. Senate Bill 133 (R1) came about as a result of Senator Roberson's conversations with teachers. He found it was evident that many professionals in the classroom are very dedicated to their students' success, and that dedication goes beyond the hard work they put in during the day in and out of the classrooms. It often includes paying for supplies out of their own pockets in order to provide materials that are needed in the classroom. Senate Bill 133 (R1) is an attempt to address this problem by providing teachers who have purchased necessary classroom materials at their own expense a mechanism to be reimbursed.

Senator Roberson would like to point out that in section 2, there is a definition of the teachers who would be able to take advantage of this reimbursement. It does not include full-time substitute teachers but does include teachers at charter schools. In section 3 the Teachers' School Supplies Reimbursement Account is created within the State General Fund. In section 7 there is \$2.5 million appropriated for this account for each year of the biennium. The account is also authorized to receive gifts, grants, bequests, and donations. If there are any funds remaining in the account at the end of each fiscal year, the amount is held as a balance forward. It does not revert to the General Fund.

Section 4 specifies that each school district will be apportioned a share of money from the account based upon the number of classroom teachers employed in the district or the charter school. This section also requires each district to establish a special revenue fund to be used only for reimbursing teachers for the purpose of necessary school supplies for their students. You will find that limitation in subsection 1, at the top of page 3. A district's board of trustees may seek the assistance of the local teachers association in administering the reimbursement, but the organization itself cannot be compensated for this service.

Finally, section 5 sets forth the forms and process through which a teacher may submit a claim for reimbursement. Teachers can submit claims that total up to \$100 per fiscal year, subject to the availability of the money in the revenue account. It authorizes boards of trustees of school districts and the governing boards of charter schools to establish a process and adopt regulations that would be used to specify the claim procedure and approval process.

We have heard anecdotal accounts of teachers spending a great deal more than \$100 out of pocket for school supplies. We will probably hear more about that. At least this is a step in the right direction.

**Assemblyman Gardner:**

I know that teachers spend a lot of money out of pocket. My wife was a teacher and did that. If I remember correctly, she was buying things like pencils and tissue paper for her classroom because they were not provided by the school. Are those the kinds of things we are talking about? What kinds of things would be considered reimbursable expenses?

**Joyce Haldeman:**

Yes, those are allowable expenses. It specifies any supplies or materials that are needed in the classroom or that directly contribute to the teaching process in the classroom.

**Assemblywoman Joiner:**

In section 5, subsection 4, it talks about the board of trustees of a school district being allowed to enter into an agreement with the recognized employee organization representing personnel and how they can help administer the reimbursement of teachers pursuant to the section. Why was the language added? What might that look like?

**Joyce Haldeman:**

I think this is a response to the offer of some teacher associations to administer the distribution of these dollars if so desired by a school district. The previous subsection allows the board of trustees to set up whatever procedure they intend to use. I will be stealing some of Nicole Rourke's testimony. In a previous iteration—not an opportunity the Legislature authorized—one of the superintendents made some money available for teachers for reimbursement. The Clark County School District set up its own procedure where teachers were given purchasing cards. Audits were done to make sure that the funds were used appropriately. It could be done in a manner like that. If a district felt that it would be more appropriate to have an outside teachers' association provide that service for them, they could.

**Assemblyman Gardner:**

Are the things teachers could be reimbursed for necessary, but are not provided by the schools? Or are these extra things that teachers want? If they are things that are necessary for the class day, why are they not being provided?

**Joyce Haldeman:**

These are things that are not being provided because there is not enough money to provide them. Some years the need is more extreme than others. Sometimes we hear stories about teachers buying their paper so they can copy things. Other times, teachers purchase supplies to make a lesson more interesting for the students—for hands-on activities teachers might want to do that the school does not provide materials for. If you look in section 4, subsection 3, you will see that "The money in the special revenue fund must be used only to reimburse teachers for out-of-pocket expenses incurred in connection with purchasing necessary school supplies for the pupils they instruct." It is rather broad. When we did this in the Clark County School District, we spot-checked receipts. Teachers were required to save the receipts, and we did spot-check audits. The teachers had some very strict guidelines about what would be allowed or would not be allowed. It was an excellent program to administer. It really helped the teachers.

**Assemblyman Gardner:**

I agree. My wife used the debit cards the district used to hand out to do that very thing. She used them for laminating things for her classroom.

**Assemblyman Stewart:**

In my experience, elementary school teachers might use this for things like bulletin boards. Maybe they are having a Thanksgiving theme and would buy paper for headaddresses or something like that. In middle school and high school, they might purchase videos and things of that nature that would not be supplied by the school or the district.

**Joyce Haldeman:**

You are absolutely correct—those and a million other types of things. In some classrooms, these purchasing cards were used for purchasing reading books so that students would have something to read when they went to their reading circles. Or in English classes in secondary levels, this might provide take-home reading materials to use. There is a wide variety of things that teachers supply.

**Chair Woodbury:**

You said that this is a step in the right direction. Were you saying that the amount could increase in the future? I remember using the debit card. It was wonderful, although I know I spent much more than that out of pocket.

**Joyce Haldeman:**

I think this is a great bill. I am presenting it on behalf of Senator Roberson. This is not my own opinion. I think most teachers spend far more than \$100 a year getting their classrooms ready and making sure that they have the

kinds of supplies on hand that they need for students. Sometimes they have little incentives and rewards that they give children—those things come out of their own pockets. Even though \$100 may be woefully short of what is really spent, it is a step in the right direction.

**Chair Woodbury:**

The bill says "must not exceed \$250," but this amount would probably be about \$100 right now, correct?

**Joyce Haldeman:**

That is what we are anticipating.

**Assemblywoman Diaz:**

Could you tell us in layman's terms what the language in section 6 really means?

**Joyce Haldeman:**

Assemblywoman Diaz, I believe that this might have to do with donations that people are making to this fund. We establish early on in the bill that additional donations can be made to help supplement this fund. I think this language refers to that.

**Assemblywoman Diaz:**

Does Legal know?

**Karly O'Krent, Committee Counsel:**

Assemblywoman Diaz, that is exactly correct. This has to do with the situation in which unclaimed property is being donated to the fund. It provides authorization for those monies to be used for these purposes.

**Assemblyman Stewart:**

This would not preclude a teacher from getting donations from a business group in the neighborhood, or a class raising money for a field trip, would it?

**Joyce Haldeman:**

Not at all. When a teacher has a relationship with vendors or retail businesses in the school's neighborhood that support those kinds of activities, there is no out-of-pocket expense, so they would not be able to claim reimbursement for it. It is already being provided. This would be receipt-generated; teachers would have to be able to demonstrate that the purchase was made so that they could be reimbursed for it.

**Assemblywoman Diaz:**

I hope we are making the language of section 5, subsection 5, broad enough to fit the needs of our entire state. District to district, we are different in terms of size and needs. I hope that it is not the expectation that we have to keep the receipts and submit them. I do not want to create another layer of paperwork for our teachers who are already overburdened with making sure they are up to snuff with the assessments and keeping up with all of their duties. Then, on top of that, we are asking them to do another trail of paperwork in order to get the money back. I remember getting those debit cards from the Clark County School District. They were great. I can see how we could save our receipts and, upon the audit, provide the proof that we spent it on things that went into our classroom. I do not want to see the circumstance where every teacher has to submit their bulk of receipts to the principal in order to be reimbursed.

**Joyce Haldeman:**

If you look at section 5, subsection 1, it talks about the fact that the board of trustees of the school district and the governing body of each charter school shall determine the manner in which to distribute the money to teachers in the school district or charter school. In the Clark County School District, the program we used several years ago was extremely successful and easy to administer. The requirement that was given to every teacher who picked up a purchasing card was that they should save their receipts, collecting them in a single place, in case they were audited. There were numerous spot-checks with audits. It was not a matter of submitting receipts for reimbursement but a matter of getting a purchasing card that was used and then saving receipts in case of an audit.

**Assemblywoman Diaz:**

Does this not stipulate that this provision must be followed? It says that a teacher who receives money from the special revenue fund must submit receipts for any supplies. It does not say "as determined by each school board." It basically says that a teacher who gets this money has to do this.

**Joyce Haldeman:**

Assemblywoman Diaz, I think that actually codifies the process that I just described. If you take a purchasing card, you are obligated to save the receipts. You submit those receipts to the principal, who is required to save them.

**Assemblywoman Diaz:**

So, that step is in there regardless of how the district decides to carry out disbursing funds. For example, the Clark County School District in the past has used the debit cards. They tell the teachers what they can spend it on

and remind teachers to save the receipts because they could ask for them. In the past, we were told that we must submit receipts. I want to be clear. Would every teacher who receives these funds have to comply with this section?

**Joyce Haldeman:**

That is the way that I read it also. I think there is a distinction, though. There is not a requirement for teachers to submit the receipt, and then get the reimbursement. The requirement is that you save the receipt and submit it after you have received reimbursement.

**Chair Woodbury:**

Are there any further questions? [There were none.] I will now take testimony in support of S.B. 133 (R1).

**Nicole Rourke, Executive Director, Government Affairs, Community and Government Relations, Clark County School District:**

We are here in full support of S.B. 133 (R1). As mentioned, we know that many times teachers spend much more in out-of-pocket expenses. As was also mentioned, in 2006 we had a similar process with district funds. At the time, our superintendent, Walt Rulffes, saw the need, having heard from teachers. He made it a priority to have the debit card process.

We have discussed that process with the sponsor of the bill, who amended the bill to allow for the process in order to mitigate the fiscal note that we initially submitted to eliminate the administrative cost associated with it. The funds are going directly to the classroom. We fully intend to follow our debit card process. The teachers will receive those initially. They will have to keep their receipts and submit them to their principal to retain for potential audit purposes. The goal is to allow teachers to spend the funds, keep the receipts, and not fill out a reimbursement form.

The reason the reimbursement process is still listed is to allow other districts to follow whatever process works best for them. Because our districts are so different, we wanted to make sure there were options in administering the fund.

**Lindsay Anderson, Director, Government Affairs, Washoe County School District:**

We are here in support for all the reasons you just heard from the Clark County School District. We had a similar program many years ago, so we would probably look to make sure we are up to best practices before we start it again, to make sure we do it the best way.



**Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber of Commerce:**

We echo the comments of the Washoe and Clark County School Districts in support of S.B. 133 (R1). I know that we have all seen teachers throughout the state spend additional time outside of the school day on their classrooms and also spend their resources and money from their own pockets. We are in support of this bill.

**Mary Pierczynski, representing Nevada Association of School Superintendents:**

We are also in support of this bill. We want to thank Senator Roberson for bringing it forward. We also appreciate the flexibility—that the bill allows each district to make its own determination of how to handle disbursements.

**Ruben R. Murillo, Jr., President, Nevada State Education Association:**

We are in support of S.B. 133 (R1). We not only have a teacher shortage, but we have a materials shortage when it comes to meeting the needs of our students in our classrooms. The average teacher spends \$1,000 on materials during the course of the year. If you multiply that by the number of teachers in Nevada, that is about \$26 million that comes out of pocket. Examples were given of what kinds of materials the funds would be used for. I do not believe they will be used for Kleenex and pencils, because those should be provided, although in many places they are not. A special education teacher at a school where I taught wanted to teach her autistic students how to use public transportation. The tokens they used for the bus program had to come out of her own pocket. Math manipulatives, reading books for reading centers, and copy paper all could be purchased from this fund. A lot of teachers receive cases of copy paper for Christmas. If you have never helped set up a classroom, at the beginning of the year there is always a run to the store that is called Learning Is Fun, but should be called "Learning Is Expensive." You could easily spend your \$250 on a small set of materials because it is expensive to set up. There are areas where schools do not receive the materials needed to enhance the education of our students—English language learners, special education, or even multicultural classes. [The witness submitted a letter of support that included additional testimony ([Exhibit C](#)).]

**Vikki Courtney, President, Clark County Education Association:**

I wanted to talk about this from the perspective of being a classroom teacher for 35 years, 28 of them in a variety of schools. As a brand new teacher, my enthusiasm for teaching and my desire to make sure the students had what they wanted was important. I wanted to have those things in my classroom. I did not have as much money as some of my colleagues. To have anything like this small amount of funding to help me support my classroom would have been exceptional. I know that today, in our most at-risk schools, we get most of our

brand new teachers. They see students who are most at risk, who have no books in their own home. Not only do these teachers provide books for their classrooms, but sometimes they provide books for the students to take home. They also might provide crayons, paper—anything they think children might need in their own homes so that they can go home and practice and feel like they are part of the classroom. This goes a long way to help in an underfunded system. I know I was always appreciative of the money. The Clark County Education Association supports this on every level.

**Lauren Hulse, Executive Director, Charter School Association of Nevada:**

We are in support of this. Even though he is not here, I wanted to thank Senator Roberson for making sure charter schools were included so that charter school teachers are able to participate in this program. The original bill language did not have them included, so I wanted to thank him for working with us to ensure that charter school teachers also could participate in this wonderful program.

**Chair Woodbury:**

By now we should not be forgetting charter schools in our bills anymore. I will say that we forgot Clark County School District in a bill that was for charter schools, so we are even.

**Jessica Ferrato, representing Nevada Association of School Boards:**

We are here in support of the bill. We appreciate the flexibility in the bill to allow the districts to implement this in a manner that is appropriate for each of their districts.

**Chair Woodbury:**

Is there anyone else in either location who would like to testify in support of S.B. 133 (R1)? [There was no one.] Is there anyone in opposition? [There was no one.] Is there anyone neutral? [There was no one.] Are there any closing comments? [There were none.]. I will close the hearing on S.B. 133 (R1). We will now do our work session while we have enough members present.

**Senate Bill 133 (1st Reprint): Authorizes the reimbursement of teachers for certain out-of-pocket expenses. (BDR 34-118)**

**Kristin Rossiter, Committee Policy Analyst:**

As we have just heard, Senate Bill 133 (1st Reprint) authorizes the reimbursement of teachers for certain out-of-pocket expenses.

**Chair Woodbury:**

Can I have a motion to do pass?

ASSEMBLYMAN STEWART MADE A MOTION TO DO PASS  
SENATE BILL 133 (1ST REPRINT).

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

**Chair Woodbury:**

Is there any discussion?

**Assemblywoman Dooling:**

I will vote yes and reserve my right to change my vote on the floor.

**Chair Woodbury:**

Is there any further discussion on the bill? We suspended Rule No. 57 of Assembly Resolution 1 on the floor, so we can go ahead and vote out bills on the same day we heard them.

THE MOTION PASSED. (ASSEMBLYMEN ARMSTRONG,  
EDWARDS, HICKEY, AND SWANK WERE ABSENT FOR THE  
VOTE.)

Assemblyman Stewart will make the floor statement. Now we will move to the work session on Senate Bill 227 (2nd Reprint).

**Senate Bill 227 (2nd Reprint): Creates the Silver State Opportunity Grant Program. (BDR 34-216)**

**Kristin Rossiter, Committee Policy Analyst:**

The item we have for work session is Senate Bill 227 (2nd Reprint), which was presented yesterday by Senators Kieckhefer and Kihuen. Senate Bill 227 (R2) creates the Silver State Opportunity Grant Program and requires the Board of Regents of the University of Nevada to award grants for educational expenses to eligible students in community and state colleges that are part of the Nevada System of Higher Education; to adopt regulations prescribing the procedures and standards for determining eligibility, the methodology for calculating the financial need of a student, and the process by which a student may meet the 15-credit enrollment requirement; to calculate the maximum grant a student is eligible to receive, net of other funding sources, and determine the actual amount of the grant to be awarded; and to submit a biennial program report to the Legislature.

Senate Bill 227 (R2) authorizes the Board to accept gifts, grants, bequests, and donations to fund program grants. This bill is effective upon passage and approval for the purpose of adopting regulations and performing preparatory administrative tasks, and on July 1, 2015, for all other purposes ([Exhibit D](#)).

**Chair Woodbury:**

I will accept a motion to do pass.

ASSEMBLYWOMAN DIAZ MADE A MOTION TO DO PASS  
SENATE BILL 227 (2ND REPRINT).

ASSEMBLYMAN ELLIOT T. ANDERSON SECONDED THE MOTION.

**Assemblywoman Dooling:**

I reserve my right to change my vote on the floor but will vote yes.

**Chair Woodbury:**

Is there any further discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYWOMAN SHELTON VOTED  
NO. ASSEMBLYMEN ARMSTRONG, EDWARDS, HICKEY, AND  
SWANK WERE ABSENT FOR THE VOTE.)

Assemblywoman Diaz will make the floor statement. I will open the hearing on  
Senate Bill 509 (2nd Reprint).

**Senate Bill 509 (2nd Reprint): Makes various changes to provisions governing  
charter schools. (BDR 34-1090)**

**Patrick Gavin, Director, State Public Charter School Authority:**

This is quite a lengthy bill. I am going to attempt to provide an overview of the policy changes that are envisioned in this bill, so that we do not have to plow through all 81 pages.

The focus of Senate Bill 509 (2nd Reprint) is to further align our statute with the nation's leading charter school laws and policies. This bill is designed to improve the quality and diversity of the state's charter school portfolio, keeping in mind, of course, that the central premise of charter schooling is providing greater flexibility in exchange for higher performance and accountability. To do this, we are suggesting a variety of changes in *Nevada Revised Statutes* (NRS) Chapter 386, which focuses on the inputs demonstrated to increase the number of high-quality charter schools in other states.

First, we are proposing to replace the contents required in statute for each charter application with those utilized by states with the most diverse and highest-achieving charter schools by adopting key provisions of the model law adopted by the National Alliance for Public Charter Schools. In examining the model law we have worked with a broad range of stakeholders in the state, including other sponsors, members of the charter school community, and others who were interested in education policy to ensure that we are aligning those elements that are the most critical for us. We are appropriately adjusting to Nevada's context and our experience over the last 17 years with charter schools, so this is not just a blanket adoption of someone else's ideas. We have really tried to look at those ideas in a very thoughtful way.

Second, a core purpose of S.B. 509 (R2) is to lower the barriers to entry for best-in-class nonprofit charter networks, which are qualified to serve our most vulnerable children, and allow them to do what they do best. There are a couple of areas that are critical for this. Howard Fuller, who is one of the deans of the school choice movement—both public school choice and private school choice—has been impressed with many of the initiatives that this body has undertaken this session to increase the number of high-quality options for students across all sectors. He has described governance as the core innovation of charter schooling. In other states, the leading charter management organizations have developed a variety of innovative governance models which balance fidelity to a core purpose and mission and a proven, time-tested academic program with appropriate local, family, and community input. Senate Bill 509 (R2) will allow these best-in-class charter management organizations the flexibility to import the governance model that has made them successful in other states, and will allow them one affiliate which implements their best-in-class governance model to hold the charter directly while providing for an appropriate level of local input and control based on terms negotiated with the sponsor.

Another core innovation of best-in-class charter schools and charter management organizations is their unique, results-oriented approach to recruiting, selecting, developing, rewarding, and retaining the exemplary teachers who are critical to their success and the success of their students. Senate Bill 509 (R2) will allow these high-performing organizations to implement the teacher recruitment and development practices which have resulted in their exemplary track record in other states.

Additionally, best-in-class charter networks thrive on accountability. Based on our conversations with key stakeholders in the charter school community nationally, we know that best-in-class organizations seek out states which reward quality and sanction unacceptable performance. They explicitly avoid

states which do not hold schools accountable. Senate Bill 509 (R2) seeks to increase accountability for underperforming schools, and further protect students and public investments by giving sponsors explicit authority to sanction schools, and the discretion to weigh additional evidence in cases where a school is underperforming but happens to fall at a level the mandated three strikes and you are out floor set in Assembly Bill No. 205 of the 77th Session. As you know, there are schools that perform above that statutorily mandated automatic closure level which still end up on the state's list of underperforming schools. These schools would be eligible for an achievement school district. We think it is critical that there be mechanisms and tools in place for us to be able to intervene and sanction those schools.

In looking at best practices from other states, we know that high-quality charter schools can serve as a solution to the challenges faced by charter schools that have not been as successful. Senate Bill 509 (R2) would also allow best in class in Nevada so that its local charter schools and national charter school operators could take on the challenge of serving students who have been underserved by our lowest-performing schools. In this way, we can hold the adults accountable while ensuring that we are providing higher-quality opportunities for our children.

Additionally, S.B. 509 (R2) gives sponsors tools to safeguard assets paid for with the Distributive School Account and other public funds. Our engagement with other states and charter organizations in Nevada and across the country confirms the wisdom of the strategic plan adopted by the Nevada State Public Charter School Authority Board in 2011, and revamped in 2013. We are in fierce competition for talented, high-performing charter school networks. As you have heard in other hearings this session, there are a number of states, Georgia among them, that are making significant changes to their charter school laws this session with the explicit intention of recruiting best-in-class networks to their states. We know that we cannot stand still. Much like the state's wooing of Tesla Motors and other leading employers, we cannot simply assume that if we build it, they will come. We know we have to get the word out. In some cases, we may have to actively go to them. Consequently, S.B. 509 (R2) is drafted to give the State Public Charter School Authority the statutory authority to take the steps necessary to recruit best-in-class charter networks to serve students across Nevada, including urban, suburban, and rural students, and demonstrate what is truly possible in public education.

Finally, at the suggestion of the Superintendent of Public Instruction, we are proposing to allow charter schools access to the monies in the Trust Fund for Educational Technology; this is the iPads bill that you will recall from earlier this session. As you know, there are a number of bills which propose to give

charter schools either access to or existing use of revenue streams of categoricals. Senate Bill 509 (R2) proposes to equalize this funding for educational technology to ensure that intent is carried through. That was something I think the Superintendent had already discussed with both the Assembly Committee on Ways and Means and Senate Committee on Finance. This is the language that will permit that to happen.

To summarize, over the past four years this body has made considerable policy investments to improve our charter school sector. We know many of those investments have worked. Our schools are much better today than they were four years ago. We are deeply appreciative of the capacity, expertise, and focus that the creation of the State Public Charter School Authority in 2011 has permitted. While we have made significant progress, we know that we still have much further to go to ensure that we are fulfilling our mission and vision of quality public school choice for every child. During this session, you have also evaluated a broad set of policy initiatives designed to improve the achievement of students statewide including, but not limited to, our most vulnerable children. The provisions of S.B. 509 (R2) complement these initiatives and are essential to improving the performance and diversity of our state's charter school sector.

**Chair Woodbury:**

We had talked previously about not going through this bill section by section. Would you go through the sections that contain the key ideas and explain them?

**Patrick Gavin:**

The first set of key sections of the bill, starting in section 4, relates to concerns that have been raised by my board relating to our ability to ensure that we are providing an appropriate level of oversight and accountability for multisite operators of charter schools—schools that operate more than one campus in Clark County or another county. This provides a statutory basis for creating criteria and making determinations regarding those kinds of amendments to a school's charter. Right now the regulations provide that such changes are a matter of right and provide some reference to academic performance, but do not look at the financial or organizational performance of the school. This is something we have seen that can be a challenge. We have schools that do very well academically but have stumbled because of organizational capacity issues when they go to expand to multiple sites. For those of you working in the business world, this is really no different than when you find a high-quality business that wants to duplicate its efforts somewhere else. There is a lot more to that than just cloning that store and putting it somewhere else. There are many multisite elements, including figuring out how you are going to govern a multisite entity, that get to be pretty complex. Some schools have

demonstrated the capacity to do that others have not. We believe we need to do some more work. There are best-in-class examples from other states of how to do this work. We think it is really important that we have the tools in place to be able to hold schools accountable and to make appropriate decisions in that area.

**Chair Woodbury:**

This is a long, complicated bill because there are so many different things in it.

**Patrick Gavin:**

Yes, it is a bit of an omnibus bill. Other key areas include that we think it is critical that governing board members be subject to background checks. It strikes us as common sense that they would go through the same kind of a background check that teachers go through. That is critical. We have consistently heard concerns about enrollment practices in schools, whether it is the limited amount of time and information before a lottery takes place, or whatever else. In looking at examples from other places such as New Orleans, Newark, and New York City, we are seeing a number of sponsors shifting to a unified lottery process that sets the same timelines and deadlines so that parents can know when it is lottery season and where to apply. The second piece is at some point switching to what is called a weighted lottery system, which is an innovation actively championed by the federal government to ensure that there is an appropriate degree of balance in schools and to ensure that they are not just serving one particular classification of students unless that is their explicit mission. This would be for a school that says it is open to all comers but ends up underrepresented in a particular area. It would allow a student to have two bites of the apple as a special education student. This attempts to ensure that there is a degree of equity while still maintaining fairness and transparency. We are seeing this implemented in a number of states. The federal government has recently issued nonregulatory guidance in this area. We expect this to be an evolving area of law and policy in the next decade. We want to make sure that we are well poised to do that work, particularly as we see a lot of growth in Clark County.

There are a number of changes to the workings of the Authority. The main ones in section 13 and following include a couple of areas that are critical. Section 15, subsection 2, contains expectations that our board has identified in terms of needs we have in capacity areas in which we believe we will need to invest in the future. This is evaluated based on looking at what the available resources and tools are for best-in-class sponsors from other states. I will note that there is a suggested change of my title from Director to Executive Director.



My board suggested this has been the planned title for my position since the Authority's inception. I will note it is also the title that has been proposed for the leader of the Achievement School District; it is not self-aggrandizing. If people really hate it, that is nothing I would have heartburn about taking out.

There are a couple of areas, beginning in section 19, subsection 4, that talk about interlocal agreements between the Authority and other sponsors. This provides that a school or a Nevada System of Higher Education (NSHE) institution may enter into an interlocal agreement with the Authority to provide technical support—application, development, review of services, et cetera. This is something we have been actively doing with other districts that are considering sponsoring or that are reviewing applications. We think it is critical that there be some element in there, particularly if we bill costs to the agency. This is particularly true in the case of NSHE institutions. If an NSHE institution were to support or sponsor a school, the current statute provides that we serve as a local education agency (LEA) for special education for such schools. As you have seen, about half of our budget is those LEA services to schools. There is a financial cost. To the degree that an NSHE institution was sponsoring a school, we would ask to enter into an interlocal agreement with them to cover the costs associated with the LEA oversight of schools and their portfolios. They would have the sponsor revenue, that 2 percent, to do that work if this were to happen. We think that was something that was not thought through in law initially.

In section 19, subsection 6 and following, there is an overview of some particular expectations that we believe should be communicated to sponsors and that sponsors should have to follow. These are related to application procedures and timelines, the criteria for evaluating applications, and the procedure for evaluating amendments to applications. It is important to put in statute the concept of having a strategic plan for authorizing schools, whether it is a school district saying they are going to do that because they want to add options which they do not currently offer, or it is the Authority saying that we want to ensure that there are more schools in east Las Vegas, North Las Vegas, and the West Side. Those are things we think are important enough that they should be enshrined in the statute, if for no other reason than we have been asked on occasion what the statutory basis is for our strategic plan which we use to make determinations. We think it is important that we go back and are able to say there is a basis for that. I do not know of any competent twenty-first century agency that does not have a strong strategic plan. We do have one, and we want to continue to refine it. We think it is important that is recognized in the statute.

There is a lot of conforming language because there are parallel elements. I do not want to bore you with that. Section 21 contains the primary changes to the application process. In some cases this is just moving stuff around, in other cases it is asking for things more specifically, and in yet other cases it is taking language out that is unnecessary. Last week, the American Enterprise Institute issued a report on the quality of charter school application processes in different states, including Nevada. We were criticized in a number of areas that we had already identified on our own and were working to address in this bill. One area is that there are things that are required in the statute—like a copy of the diploma and transcript that a school will provide—that we have applicants work on painstakingly to create gorgeous documents, but the rest of their application is lousy. I think it is important that we focus as much as possible on the things that are critical in quality—inputs like the academic program, or outputs like making sure we are safeguarding students' civil rights.

One area that is really important and worth noting is that we have increased the level of scrutiny and rigor in evaluating applications from charter management organizations and also from for-profit education management organizations. We think that is critical to ensure there is appropriate transparency in that process.

**Assemblyman Elliot T. Anderson:**

You are getting close to the section I am interested in, so I will ask my question now. Sections 28 and 29 are parallel sections dealing with automatic closure provisions. In section 28, subsection 3, it talks about the Superintendent exempting a charter school based on a significant change to the statewide system of accountability. What do you consider to be a significant change? Why is that provision in there?

**Patrick Gavin:**

We are actually going through one of those changes right now, in the switch from the criterion-referenced tests (CRT) to the Smarter Balanced Assessment Consortium (SBAC). There is going to be a pause in the statewide system of accountability this year. As I think you are aware, there are multiple elements in how the statewide system of accountability calculates the star rating. One of those is status, which is the overall performance of the school in relation to other schools and all students. A piece that is a huge part of the calculation is what is called "growth." Without a baseline, you cannot calculate the growth. The State Board adopted a policy this year that there will not be a star rating issued in September. We have schools that are at one star. I do not want to say if the rating is not in consecutive years, it does not count—you have to let

us go another three years of not great work. I do not think anyone in this room wants to have a school that is underserving students at a one-star level for multiple years to stay open longer because of that kind of a change in policy.

**Assemblyman Elliot T. Anderson:**

Am I understanding this correctly, that this section is solely designed to bridge the gap because of the change to SBAC right now?

**Patrick Gavin:**

Or any future changes that could take place. If five years down the road we change to another test, I do not think we want to come back and ask for it again.

**Assemblyman Elliot T. Anderson:**

The parallel that I think of here is Assembly Bill 447, which is the teacher evaluation bill. In that bill, it is written in what years which data will be used. In section 28, subsection 2, of this bill, we have existing language that says that a school's evaluation data before the 2013-2014 school year cannot be used. It seems a lot to put in there, to leave it on the shoulders of one person rather than write it in the bill. I do not like to write more than is necessary when I feel that we could accomplish the same goal by changing 2013-2014 to whatever years we need to. I know that is how it is being done in A.B. 447, so why is this different? It seems as if they have similar issues; they are dealing with the performance framework. Why can we not write this the same way?

**Patrick Gavin:**

These are two attempts at drafting a solution that are trying to get at the same point. I would say the one more macro issue that came to mind for me when I saw that language in another bill was, What happens if there is a tornado or an earthquake somewhere and it disrupts testing in a particular community?

**Assemblyman Elliot T. Anderson:**

If you have no data, you have no data.

**Patrick Gavin:**

Then it gets to be an issue. If you have no data, for whatever reason, should that be a reason that a school gets to essentially restart the three-year clock?

**Assemblyman Elliot T. Anderson:**

If you were going to go by the plain language in the bill, you need to have the lowest rating possible indicating underperformance. You do not have it because you have no data.

My other question is about the reconstituting language, which is a significant change from revoking. At the beginning of the bill, I saw that you had language about procedures for reconstituting. For example, the governing board cannot be any more than 40 percent of the existing members. That made me think of two things. Is there a limit to how many times a governing board can be reconstituted? It could be an indefinite way to keep a failing school open, particularly because 40 percent of the governing board could be the governing board members that had failed those students in the past. Is there a way to tighten that up so that it is not used as a loophole? I can foresee it being used as a loophole to keep a failing school open.

**Patrick Gavin:**

The 40 percent number was a compromise. The Senate asked, What if there are one or two board members who have been trying to do the right thing and have been stymied by four or five other people? Should they be automatically excluded from being on the board? My recommendation to my board would be to clean house, but I think that there are other sponsors who wanted to have some degree of discretion in that area. With regard to your question about providing that maybe there is only one potential reconstitution for schools that are at that lowest possible level, this is completely discretionary. The sponsor has the discretion to determine whether the school is closing or reconstituting.

**Assemblyman Elliot T. Anderson:**

I understand that. Last session that was a big tripping point when this law was crafted—not letting the sponsor have the discretion. There was a big compromise on it. That is why I am zeroing in on this. I wonder if you could limit the number of times you reconstitute the board, because I feel like that would allow discretion. That is the heart of the issue I am concerned about.

**Patrick Gavin:**

I could certainly live with that—limiting it to one or two times—whatever makes sense. Clearly, if the tool is not working for that particular school, then we as sponsors need to take a hard look at whether we are doing the right things. It is not okay for our children to be in schools that are not meeting their needs. We could either change that now—if you are insistent on it—or, keeping in mind that we have at least a couple of more years of funding given the pause in accountability, this is something we could revisit next time. I will defer to this body as to how you wish to proceed on that.

**Assemblywoman Diaz:**

I would like to go back to section 20, subsection 7. It talks about when the State Public Charter School Authority and the board of trustees begin an approval process for a new charter school. There are no criteria set forth as to

where the new charter school will be located. I do not want to see us wanting to place a charter school in a vicinity where there is no need because those schools are doing pretty well—they have a four- or a five-star rating. I would not want to see a charter school find a building to open right near a school that is performing well. Could we look at underperforming schools being part of the metrics that are considered in order for a charter school to be placed somewhere? Could you speak to why we do not have any metrics or criteria as to where we place new charter schools?

**Patrick Gavin:**

The first clause of section 20, subsection 7 indicates that before any sponsor begins soliciting applications, it must establish priorities. This is to make it very clear to the public and to individuals who may wish to apply for a school, whether it is my board, the Clark County Board of School Trustees, the Washoe County School District Board of Trustees, or an institution within the NSHE, that one of the things they use to evaluate those priorities is pupil need. For example, a school district says it would like to have more international baccalaureate programs and thinks charter schools are a great vehicle to use to accomplish that, or it is my board saying we want to have more schools in east Las Vegas or North Las Vegas or on the West Side, and we also want to make sure that we continue to provide a pressure relief valve for highly overcrowded schools in other parts of the county.

By the same token, I do not know that I, as a man sitting in Carson City, or my board members spread across the state, have sufficient insight to know exactly what parents want for their children. We could say that these are things we think are very important to society, but if a group of parents gets together and demonstrates that there is a groundswell of support for something, even if it seems duplicative, I would be loath to ignore them.

**Assemblywoman Diaz:**

In this process does every stakeholder have an equal say? Does the school board have the same say as the Charter Authority? Does the Charter Authority have the same say as the Department of Education? Somebody might have a vision, but maybe the district does not share it. I do not want to see the district trumping someone because they want to go in a different direction. Does every individual at the table have an equal say in the process?

**Patrick Gavin:**

They all have input. This is a consultative process to try to create a list of priorities. The fact of the matter is that each school district has the statutory authority to sponsor schools and can say they really need a school that does

science, technology, engineering, and mathematics (STEM) education in this neighborhood, or we really would like to see a Montessori school over here. They can set those criteria themselves should they choose to actively sponsor. Early in my tenure, I had a thoughtful conversation with the Clark County Board of School Trustees regarding charter schools. This comes out of that conversation. One of the trustees asked, "Would you be interested in talking with us, at least to see what we think the needs are? Maybe right now we do not have the capacity to sponsor more schools because we have other strategic priorities, but we would like to see something over here." We would like to take that into consideration and say that we agree and would be happy to see what we could do to solicit an application for that.

However, we as an agency are going to have different strategic priorities than a school district or an NSHE institution has. If I were an NSHE that wanted to sponsor schools, I would be sitting there going, "Okay, so I want to start a school that focuses on business, and partner with my college of business." Or, "I want to start a school that is going to focus on teacher training, and it is going to be through this great place where all of my student teachers are going to go." They need the discretion to be able to establish those priorities while still having a conversation. This is an attempt to at least say that we want to make sure we are talking to the stakeholders. We created multiple sponsors in order to be able to have a marketplace of choices for schools and to have different ways of doing portfolios. If we switch to a one-size-fits-all, mandated, centralized plan, then we are just turning into a different kind of bureaucracy.

I do not believe there is anything enormous between the section I was just discussing with Assemblyman Anderson and section 28. The next couple of sections conform language to previous discussions. The area that is probably the most material is section 32, subsection 1, paragraph (h), and following. The first of those is that in revealing some of the challenges we have observed in other states with regard to not just academic accountability but also to financial accountability, it is quite clear that there is a growing interest in increasing the degree of transparency and consistency of how financial information is reported by charter schools. This is an area where we have had a number of conversations with the state Superintendent, and have identified some areas where we think there is some need for additional clarity and consistency for schools. Section 32, subsection 1, paragraph (h), subparagraphs (1) and (2) provide that the Department may adopt regulations, in consultation with us and with other sponsors, regarding requirements for financial audits and ethics requirements for governing bodies of schools.

We think this second piece is really critical because we want to make sure that there is real transparency. We are not only investing in the lives of our children but also investing public funds. We want to make sure that it is really clear that there are significant expectations and a public trust that comes along with that.

Section 32, subsection 3, contains some duplicative language about the process for applications, amendments, renewals, et cetera. Regarding section 35, we have had a number of conversations with the state Superintendent and with other stakeholders including, but not limited to, the Clark County School District, about having a process in place. We have suggested a minor language change in section 35 in the bill overview ([Exhibit E](#)) on the Nevada Electronic Legislative Information System (NELIS). It makes it clear that in even-numbered years, we want to provide a review of the statutes and regulations and then make recommendations to the Legislative Committee on Education in consultation with the Department and other sponsors. We do not want to be in the position where we are having conversations about significant policy changes in the last days of the session. It is important that this be a thoughtful dialogue throughout the interim and that there be a clear understanding of both the opportunities and the challenges that we face as a sector.

There is also a requirement we provide a public report on the academic, fiscal, and organizational performance of schools. We think Assembly Bill No. 205 of the 77th Session did an exemplary job of identifying these three areas and providing us with tools to measure how schools are doing. It is important that the public, including parents, be able to see that and have real clarity on it. We had an initial conversation in our budgeting process about providing such an annual report. For a number of reasons, including the fact that we are looking to spend a fair amount of money this session on other stuff, that is not something we are probably going to be able to do now, but we think it is critical that we have that going forward. We can start that with something online, but for a lot of our parents, the Internet is not where they would go for this information. They may want a published report for each school. We would like to be able to provide that. There is a lot more information available for a charter school than for an individual traditional Clark County or Elko County public school. How that board is doing is really important for parents to know. How they are doing safeguarding children's civil rights and how they are doing with fiscal performance are things parents and the public should know about.

In order to have market accountability for schools, it is not just about us sitting there saying, That is a bad school; we will close or reconstitute you. Parents have more information. They can vote with their feet and make much better decisions about whether a school is a right fit for them, or about what kinds of

changes they would like to see in that school if they got on the board. We want a lot of transparency and a lot of thoughtful dialogue about these issues at every level within our state. In this section there is also a reference to board training. It is critical that our governing boards receive an appropriate amount of training. We are actively looking for resources to do that. Governing a charter school board is a unique animal—it is a public entity, a nonprofit organization, and a public school. Those are three things with different philosophies of governance.

In section 38, the statute currently says that there is an absolute prohibition on charging tuition or fees. We would note that traditional public schools have some ability to charge fees—for example, athletic fees or during a tuition-free summer school course. If we do not have all-day kindergarten, that second half of the kindergarten day is something that schools charge tuition for. We think it is important that the playing field be leveled between charter schools and district schools on that. If a district can charge a fee, then the charter schools should be allowed to and vice versa.

In section 39, if a school is buying something from the district, it should be at cost. The second piece of this section is related to student transportation and participation in sports. Our schools worry about participation in athletics a lot. If a bus is going from Elko to Ely for a volleyball game and there is space available on the bus, Mom should not have to drive her student to Ely if she could drop her child off at the student pick-up point. This strikes us as a commonsense provision. It places no additional burden on the school district. It simply allows us to be good neighbors in the case where a child is playing for a district sports team. Right now that is something that schools and charter schools debate about. We think it should be clarified.

In section 40, there are a couple of areas that relate to educational management organization (EMO) contracts that are very important. These are here to align our statute with best practices from other states that permit EMOs to operate but are also based on our experience working with EMOs in some areas where we think schools have struggled. We want to ensure that there is a balance between that potentially very large entity and a pretty small entity that happens to be the one that holds their contract. We want to make sure that you cannot automatically renew without a review of performance. If the charter for a school is revoked or if the school is reconstituted, the EMO cannot keep charging a fee without doing the work. If there is a regulatory legal requirement that the EMO cannot charge the school extra for the privilege of working with a company that wants to do business in our state, that strikes us as pretty commonsense.



**Assemblywoman Joiner:**

My question is about section 40. In current NRS 386.562, subsection 2, there is a definition of an educational management organization. It has quite a few more provisions in it than the definition in section 3 of this bill regarding an EMO. Why is that? Section 2 has a new definition of a charter management organization (CMO). I am trying to figure out, practically speaking, what this means for our state. Currently, do we have any EMOs or CMOs running charter schools? By adding these definitions, it seems to imply that we will have new entities running our charter schools. What is your vision for this? You mentioned it in your preview, but because we already have a definition of EMOs, I wonder what the change is.

**Patrick Gavin:**

The definition of charter management organization is the one that is far broader. We currently have EMOs, nonprofit or for-profit entities that enter into a management contract with a board of a school to provide all, or substantially all, services. We have a number of such companies. We have companies that operate schools via distance learning, companies that provide back office management, companies that provide some academic services, and a couple of other kinds of services. Those are, in some ways, new to each charter and to each contract. A charter management organization is basically a school district from another state. YES Prep Public Schools is a large charter school network which also functions as a school district in the state of Texas. Aspire Public Schools is a nonprofit entity which directly holds a charter and operates a school district in the state of California.

That is the kind of entity we are talking about when we talk about a charter management organization. It is this entity that is essentially the board of a charter district. It is a nonprofit and directly holds the charter, which is very different than being a vendor that provides some subset of services for an individual school. Does that help clarify the distinction? That is the intent of clarifying what those two things are. An EMO can be for-profit or nonprofit. A CMO is explicitly defined as a nonprofit entity.

**Assemblywoman Joiner:**

I think that clarifies it, except that the section 3 definition is still different from the one currently in NRS for EMO. Maybe that is a question for Legal, whether they will be in conflict. The current NRS definition is broader. I do not understand why we are defining it at the beginning of the same chapter. Why do you need that? I understand that CMOs are new and that they are different. If an EMO can be either for-profit or nonprofit, which is not clear in section 3, is a CMO a type of EMO also? Are they mutually exclusive definitions? What are we having come into the state? What will that look like?

**Patrick Gavin:**

I view them as two separate things, and that is my intent. If I were to venture a guess, based on conversations with your staff, I believe the reason this language has been tweaked this way is to ensure there is no conflict between the definitions in this section and in other bills which have already been passed by this Committee—most notably, the Achievement School District bill.

**Karly O'Krent, Committee Counsel:**

Educational management organization is defined for the purpose of the one section in NRS Chapter 386.562. To the extent that the two conflict, the specific would control the general. This is added to the beginning of the chapter. In that particular section the definition will apply specifically to that section, so there is no conflict.

**Assemblywoman Joiner:**

I understand that. I am wondering practically what the one allows that the other does not. Why is there a difference? Why was the choice made to have a difference in those definitions?

**Patrick Gavin:**

The intent was to ensure that there was no conflict with another bill that was passing through this body. That is the pure intent. It is certainly not to let the camel's nose under the tent in some other way.

Section 45 is rather a minor piece, but it is based on stakeholder feedback from our schools. We have schools that are specifically authorized in their charter contract to hold students to a higher graduation standard than the state's. Maybe students are required to do 200 hours of community service, or maybe they are required to take advanced placement (AP) classes. These schools have had parents lawyer up and say, "State statute says this is the minimum requirement for a diploma; therefore you have to give it to my child." We want to make it very clear that if parents choose to enroll their child in a school that establishes a higher standard, the school is not obligated to lower its standard to meet the statutory minimum. Should parents say, "I do not want my child to take the AP class," they are welcome to choose another school. It is important that schools be able to hold to their models with fidelity. They should not be in a position that they would be sued, even if they would probably prevail. We want that to be clear in the statute so that they are given the protection they say they need.

Section 47 deals with the issue of human capital. We are allowing these best-in-class operators to duplicate the human capital strategies that have been used in other states. Based on conversations with charter schools from other

states that would be interested in coming to Nevada, one of the barriers to entry is that we hold our charter schools to a very different standard than federal law requires for charter schools. Federal law specifically requires, through the No Child Left Behind Act of 2001, that charter school teachers be highly qualified according to a federal definition which is different than the state definition. As defined by federal law, a highly qualified teacher for charter schools must have a bachelor's degree in the subject area and demonstrate content-area expertise. Nevada has chosen to hold schools to a significantly higher standard, which means that we are losing out to Georgia, Texas, Arizona, Colorado, Massachusetts, and the District of Columbia. They all perform dramatically higher than this state, both on an absolute and on a growth basis on the National Assessment of Educational Progress, and their charter schools outperform our schools. They point to this provision as one of the barriers. We want to address that.

**Assemblywoman Diaz:**

As I read the bill, currently a vocational school has to have less than 50 percent of the teachers unlicensed. Seventy percent of the teachers had to be licensed before, and the other 30 percent did not have to be licensed. Would you clarify what the status is right now, before this bill passes? Not all charters are vocational in nature, correct? What is the difference between staffing a vocational charter and a nonvocational one?

**Patrick Gavin:**

Our current statute provides two different sets of requirements. For a regular charter school, which is doing something other than vocational training, it requires that no less than 70 percent of teachers must be licensed. The other 30 percent are required to be highly qualified. The other piece that makes it challenging is that we then enumerate every academic subject area, saying you have to be licensed in these. From a practical perspective, 100 percent of teachers must be licensed within a charter school that does not offer a vocational program. With regard to a vocational school such as the Academy for Career Education (ACE) High School in Reno—which is an architecture, construction, and engineering school where students build, among other things, Habitat for Humanity houses—there is a waiver from that. They are only required to have 50 percent of their vocational teachers be licensed. The head of the plumbing union, for example, might be teaching plumbing for two hours a day. He or she would not have to be licensed as long as he or she meets all the other requirements, including a background check and all the other things we would expect of any public school employee. That is the current standard. This switches us to the federal standard.

**Assemblywoman Diaz:**

Currently at vocational charter schools, 50 percent of teachers need to be licensed, and the other 50 percent do not. Is that correct?

**Patrick Gavin:**

That is my understanding. I do not sponsor any vocational charter schools, so this is an attempt to ensure that we can in the future. I would love to see more career and technical education (CTE) schools, including both traditional public CTE schools and charter schools. We just want to make sure that we are not putting in place something that says if we wanted to start a culinary school, a chef would have to get a master's degree in order to be able to teach there.

**Assemblywoman Diaz:**

What is the shift?

**Patrick Gavin:**

This shift switches us from the more restrictive state-level definition that says that a Nevada state license is required to the federal definition—and the definition that prevails in the vast majority of high-performing charter schools states in the top quartile on the study from the Center for Research on Education Outcomes—in terms of their requirements for teachers. It switches from requiring Nevada state licenses to requiring that teachers be highly qualified.

**Assemblywoman Diaz:**

Is that for both traditional and vocational charter schools? Could 100 percent of the teachers on the staff of a charter school be highly qualified? Are you not requiring any licensed teachers any longer?

**Patrick Gavin:**

That is the intent of this section. To be very clear, there are two areas where the federal regulations require licensed teachers—in the Individuals with Disabilities Education Act (IDEA) of 2004 and in English language learner statutes. For the purposes of compliance with IDEA and to be federally compliant with the *Lau* decision [*Lau v. Nichols*, 414 U.S. 56 (1974)] there was a requirement for state licensure in those areas because they are state-specific. That is also outlined in both NCLB and in IDEA.

**Assemblywoman Diaz:**

While I recognize that everyone is going through the same troubles of staffing a school when there is a teacher shortage, I do not want to downplay the importance of an individual knowing what to do with a group of students. For example, teachers get coursework in pedagogy. It is important that the

plumber or someone from a technical trade area knows how to deliver instruction. You can have all the knowledge and experience, but if you cannot connect it to the level of a fifth grader or a seventh grader, you are missing the boat. I can tell you from experience that teachers tend to fall back into the pedagogical approaches that we were once subjected to as students. It causes me a little bit of heartburn knowing that some of these highly qualified teachers do not have to have any of those classes under their belts before teaching our students.

Teachers in public schools are under a high degree of scrutiny. They have to comply with all the requirements to be licensed. An additional layer is that they have to be highly qualified if they are in an at-risk school. Then they have the pressure of the performance framework, the evaluation system. I am very concerned that all the teachers could be highly qualified but not have any experience or theory behind what the best practices to teach children are. This change you are making is significant.

**Patrick Gavin:**

I would concur. This is a significant policy change, but we believe it is necessary. This is one reason why we specifically asked in the new application requirements what the onboarding and professional development for teachers looks like, because that is critical. From my experience in running human capital for a charter network which implemented this type of approach, and from my dialogue with networks that do this work, they prefer to grow their own and teach teachers pedagogy based on their instructional approach versus having to unlearn a particular preparation approach at a particular university. This does not preclude a school from hiring someone with a license. It simply says that they may hire an individual who does not have a license but does meet the other criteria. I will also note that it requires deep subject-area expertise. When we look at the schools that are doing this, such as the BASIS Schools in Arizona or any of the KIPP Public Charter Schools, they take exactly this approach. They are looking for deep content knowledge in the subject area.

**Assemblywoman Swank:**

I would like to go back to section 10 and a couple other sections after that. Could you clarify the structure? Would you say that the relationship between what would be called the Executive Director and the State Public Charter School Authority is analogous to that of the Superintendent of Public Instruction and the State Board of Education?

**Patrick Gavin:**

It is not analogous in the current structure, but it is analogous to the structure prior to 2011 when the State Board of Education functioned as executive head of the Department of Education and the Superintendent was the direct employee and served, for statutory purposes, as the Department. In that way, when we used the term Department in statute, we meant Mr. Erquiaga. Mr. Erquiaga's predecessors reported directly to the State Board—they hired and dismissed that individual. Post-2011, the change was made to make the state Superintendent a direct gubernatorial appointee and shift the State Board from being an executive board to a policy board. It is my understanding when I was hired that the intent of the statute has been that the State Public Charter School Authority board is the decision maker in these areas, and they direct staff. It was unclear in the statute who could fire me. If I do a bad job, someone should be able to do that.

**Assemblywoman Swank:**

I am not sure that I am totally comfortable with that structure. I have a question about section 13. I looked up the role of the Superintendent of Public Instruction. In NRS 385.170, it says "The Superintendent shall not pursue any other business or occupation or hold any other office of profit without the approval of the Governor." Section 13 is a lot longer than the description for the Superintendent of Public Instruction and what the Governor can allow him to do. It sounds to me like the Executive Director of the State Public Charter School Authority will be doing consulting work on the side. Why is all that in there? What does it refer to? If there is going to be work on the side, is it vacation time that will be used? I know that it is a big job, with a lot of work to be done, so we do not want to be taking time away from the duties of the Executive Director with any kind of extra work on the side that he is paid for.

**Patrick Gavin:**

My predecessor, Dr. Steve Canavero, before he was promoted to Deputy Superintendent for Student Achievement, served as a member of the board of the National Association of Charter School Authorizers (NACSA). When he sought the permission of the board to take on that role, the board's position was that it was an entirely appropriate extension of his core job in terms of ensuring best practices and furthering the Nevada charter school movement and the charter school movement nationally. There was concern raised by some individuals that NACSA would pay his plane fare since he was a board member. The concern was whether or not he was technically profiting by that. We wanted to make it really clear that there are appropriate things that the board will authorize the Director to do—serve on that board, serve on a task force, or whatever else—in the core function of his duties.

I will also say that there is a general practice, which we consider an important professional development activity for staff, that sponsors routinely review applications from other states, serving on the review committee or ensuring that we are minimizing bias. This is done in much the same way as it says later on in this bill that we may engage external experts from other states either for pay or on a volunteer basis. Someone from New York is going to have a different perspective and certainly not know anything about the particulars of one group of people who may have community connections or power in the state of Nevada. It is important to have those different voices. This is one of the mechanisms for doing that, much as at one point someone questioned why we were bringing those external reviewers in, so that is addressed later on. We thought it was important that our staff do this. I have served as a reviewer for the state of Massachusetts for a number of years and serve as a reviewer for federal grants in areas where the state is not an applicant. These are part of my core professional duties. It needs to be really clear so that later someone does not turn around and say that I should not have been doing that. That is the intention.

**Chair Woodbury:**

Would you continue walking through the bill?

**Patrick Gavin:**

I think that pretty much gets us to the end of the bill. Everything else is conforming language from there on out. I am happy to stop talking and let you folks get to the important work here. I will note that we suggested a couple of minor wording changes that are on NELIS ([Exhibit E](#)). Most are one-for-one substitutions. For example, there was an area where we noticed a lack of conformity in the drafted language with the language in Assembly Bill No. 205 of the 77th Session. We wanted to make sure that was completely consistent. There were one or two other minor areas. They are in the one-page document ([Exhibit E](#)), so you do not need to read the whole bill if you do not want to.

**Chair Woodbury:**

Thank you, Mr. Gavin. If there are no further questions for Mr. Gavin, I am going to ask supporters to come forward.

**Craig M. Stevens, Director, Intergovernmental Relations, Government Affairs, Community and Government Relations, Clark County School District:**

We support Senate Bill 509 (R2). First of all, I would like to thank Mr. Gavin and all of the stakeholders in this process. I cannot tell you how many revisions this bill has gone through and how many times our staff and our charter staff and everybody have gotten together to try to hammer out a lot of this language.

Like any good compromise, we did not get everything that we wanted in this bill. When most folks think about charter schools, they think about the State Public Charter School Authority since they sponsor the majority of charter schools across the state; however, the Clark County School District proudly sponsors seven charter schools in the Clark County area. We have done what we think is an admirable job of making sure that the charter schools are serving their purpose throughout the district, and that when we have authorized a charter school it is because it is a need of the community. For example, André Agassi College Preparatory Academy serves 78 percent African-American students. When we talk about the Delta Academy, 76 percent of those students are on free and reduced-price lunch—for those students, this is their last chance at getting a quality education. We are very proud that this is a Clark County School District charter school. We take our chartering responsibility as thoughtfully as we do our traditional public schools. I am happy to say that five of our seven charter schools serve at-risk populations. We have done this on purpose because it is a strategic way that we have authorized our charter schools in the past.

I would like to comment on Assemblywoman Diaz's line of questioning. This is something we asked to be in the bill, although I am here in support. We have managed to work in some language that we are happy with. Again, we appreciate Mr. Gavin for the long conversations we have had, but we also need to remember that charter schools are funded by the taxpayers. Those dollars are public dollars. While schools are meant to compete, if there is a quality school that is not overcrowded that is meeting the needs of that community, we should not put a charter school there. If a charter school is a great charter school, we should not put a traditional public school there either. We should be stewards of the taxpayer dollar. While we believe that what we got in this bill is good, we need to go further. We need to get everyone in the room together and ask what the needs of the state and of the different areas are. Then we need to place those schools, whether they are traditional schools, charter schools, or magnet schools. We need to have those conversations so that we are serving the public and are not duplicating taxpayer dollars.

In the Clark County School District, with our charter schools we have tried to serve a populace that needs to be served in a different way. We hope that we can continue that. In the last round of charters that they authorized, the State Public Charter School Authority has moved in that direction too. We, as a state, need to move in a direction where we are not just serving the students who are privileged. That is what charter schools, in my opinion, are there to do.



**Seth Rau, Policy Director, Nevada Succeeds:**

We have worked with the stakeholder group for the last four or five months on this bill, making sure that it is thorough and that it meets the needs of all parties. There is one little piece I would like to highlight that was not highlighted in Mr. Gavin's walk-through talks about the application processes. This bill allows the Nevada Public Charter School Authority to set up processes for two different application timelines—one for an application for experienced CMOs and EMOs, and one for people who are starting new schools. It is a daunting task, especially if you have not had experience launching a charter school, to go through that process. Having two separate timelines will make it easier for the Authority or any other sponsor to work with specific schools to make sure that we have high-quality charters serving all the children who want to attend charter schools in this state.

**Victor M. Salcido, representing Academica Nevada:**

Considering the time of day and the time of session, I will err on the side of brevity. We wholeheartedly support this bill.

**Kathleen Conaboy, Chair, State Public Charter School Authority:**

As a board, we have spent many hours discussing this bill and its contents. The board is very much in support of S.B. 509 (R2). I want to remind you of some of the information Mr. Gavin has given you. The State Public Charter School Authority has three functions. We are a state agency, with responsibilities in that regard. We are a local education agency, meaning we are essentially a school district. We are an authorizer. We have these three different hats. This bill is designed to help us meet all of those responsibilities. I think the bill reflects a growing level of sophistication for us as an agency. This body formed us in 2011, and we had our first meeting in January 2012, so we are three years old. We are working our way through understanding and then fulfilling our responsibilities. The questions asked today about locating schools, what a CMO is, what our Executive Director is supposed to be doing—these are all good questions that reflect our growing pains. We are very pleased to support the bill.

I would like to address what Assemblywoman Swank asked about regarding the role of the Executive Director. As the Chair, when we had people questioning whether our Director would serve on a national committee, I was totally taken aback by that line of questioning. In all my years on a university campus, it was an expectation for a professional to serve, to contribute to the body of knowledge in his or her field nationally. That is why we wanted to clarify that in statute. This is not money in anybody's pocket. If we as a team work on a charter application in another state, the fee would go to the agency just as we pay other agencies for helping us.

To Assemblywoman Joiner's questions about CMOs and EMOs, I would like to clarify the difference. Right now, EMOs do not hold charters. They are vendors to a charter holder. A CMO, which is a big change in this bill, will be able to hold a charter. That is the huge difference in my mind. There will be local representation on their boards and/or local boards of nonprofits that work with the CMOs.

**Lauren Hulse, Executive Director, Charter School Association of Nevada:**

We are here in support of this bill, mostly because we think it is a huge asset to the charter community to have strong authorizers. We think this bill does just that. It gives the multiple authorizers that operate in the state the tools necessary to operate with the best practices shown on a national level. It allows them the tools necessary to recruit great schools and also to close not-so-great schools when necessary. As Mr. Rau said earlier regarding the application process, it gives them the tools to really vet the operators and make sure that we are opening quality schools and do not have to close them later.

**Ray Bacon, Executive Director, Nevada Manufacturers Association:**

Since Ms. Haldeman is not in the room, I think I am the only person here who was around when the charter school bill was passed in the 1997 Session with Senators Adler, Porter, Wiener, and Washington, all of whom are gone. Think back to that point in time. The charter school movement was relatively new. Nobody knew what a CMO was, nobody had heard of an EMO. Those terms did not exist. This is a huge effort to modernize Nevada statutes to get them into compliance parallel with what the state of the practice is, which will be a major step forward for the schools.

We currently have, as has been mentioned before, a preponderance of white students in our charter schools. That is not necessarily the way we started off. The very first charter school in northern Nevada was I Can Do Anything Charter High School, which was focused, almost exclusively for its first three years, on students who had already dropped out of the Washoe County school system. Then we got into The Davidson Academy, the Coral Academy of Science, and areas like that. Davidson has clearly been focused on the super well-off students academically, not necessarily financially. The Coral Academy fell in the middle. It focused on STEM when there was a need for that; it was a broad spectrum to apply to everything, but if you look at the current population in STEM, the professors at the University of Nevada, Reno have a tendency to have a large percentage of their children going to that school. They obviously recognize something there.

This has been a long, hard process. The charter school movement is relatively young. It is growing. Another ten or fifteen years down the line, there will be more evolution, and another one of these huge, 80-plus page bills will come through. This is a quantum step forward. You are to be congratulated for what you have done. Ms. Conaboy and Mr. Gavin are to be congratulated for what the Charter Authority has done and the steps that this state has taken. We are, across the board, not a high-performing state in education. This has given options and ownership. If you go to a Coral Academy and spend some time there, as Assemblyman Hickey and I have done, you are pretty well amazed at what those students do in those schools. The biggest thing is, more than any other single factor—Assemblywoman Diaz would be a perfect example—you know that when the parents buy in to what is going on in the school, the education gets better. One thing that happens that we often fail to mention is that sending a child to a charter school was a choice made by the parents and, in most cases, a choice made by the students. That is a huge buy-in.

To close, I want you to think about this. I think most of you attended the Cashman Good Government Awards for the Nevada Taxpayers Association this year. The winning education application came from a charter school. That was not even conceivable ten years ago. We have come a long way, and we have a long way to go.

**Chair Woodbury:**

Is there anyone else who would like to testify in support of S.B. 509 (R2)? [There was no one.] Is there anyone in opposition? [There was no one.] Is there anyone who is neutral?

**Laura Granier, representing Nevada Connections Academy, Reno, Nevada:**

We very much appreciate all the work that has gone into this bill. It is a step forward. We are very concerned about Nevada having been identified in a recent study as one of, if not the most, unduly burdensome jurisdictions with respect to the paperwork required for charter applications. We are neutral simply for the purpose of clarifying something with respect to section 27. Senate Bill 460 [companion bill of Senate Bill 461] is a very good bill that is in the process of passing this session and it creates individualized graduation plans for credit-deficient students. We think that is fantastic and wholeheartedly support that, because there are a number of credit-deficient students who we want to graduate.

Our school serves a significant population of credit-deficient students. The concern that we expressed in the discussions on S.B. 460 was that currently, in the calculation of the graduation rate, these credit-deficient students are not taken into account. There is no five-year or six-year cohort.

If the school were not penalized for taking credit-deficient students, the graduation rate would be in the high 80 percent. It has dropped significantly when you do not properly disaggregate the data to account for the students who come in credit deficient and, therefore, do not graduate in the traditional four years.

The point is that we all want these students to get back engaged in the system and to graduate. I think we all agree that we want policy that encourages that. We think that is what is intended in everything that is going on. We think that is intended and clear in the performance framework that is allowed under this statute under existing law. It is set forth in the charter contracts. That provides the appropriate guidance and discretion for the regulator to work with the school and make sure there is absolute accountability, but it also ensures that you are encouraging, not discouraging, schools from reengaging these credit-deficient students and making sure they do graduate as quickly as possible.

The reference in section 27, subsection 1, paragraph (e), mentions having below a 60 percent graduation rate for the preceding year. My understanding from discussions with Director Gavin and Chair Conaboy of the Authority is that should be a reliable, valid number, meaning it would, in fact, take into account data that demonstrates the fact that there is student growth; the school is performing as expected, required, and negotiated under the performance framework set forth under the charter contract, but it would not create circumstances where a school would be closed simply because it is serving credit-deficient students and that data has not been disaggregated so the graduation rate is not necessarily reliable.

**Assemblyman Elliot T. Anderson:**

I have a question for legal counsel. Section 47 contains a definition of highly qualified. It cites to 20 U.S.C. § 7801. The highly qualified term has a statement that basically cites back to our public charter school law to look for the definition. I think there is a *renvoi* problem, which means that it is sending it back unopened. It is a French term for a conflict that goes into a circular fashion. What is the definition of highly qualified, since we are using it? It cites back to our law, but we are citing back to the federal law. It is confusing to me.

**Karly O'Krent:**

You are correct—it does cite back to the state law. In this circumstance, if you think it would benefit the bill to specify the federal definition of highly qualified in existing statute, we can do that, rather than referring to the federal law.

**Assemblyman Elliot T. Anderson:**

I would appreciate that. I am not clear what it means. I think you are creating a great research project for a judge's law clerk if we leave it this way. It would be good to spell it out.

**Chair Woodbury:**

Is there anyone else who would like to testify as neutral to S.B. 508 (R2)?

**Peggy Lear Bowen, Private Citizen, Carson City, Nevada:**

I suggest in any of these situations that you, as a Legislature, define in legislation that you bring home the boards and commissions over which you have no control and not answerable to as an elected body or elected individuals, and that you bring back the boards and commissions that set all sorts of standards, including what highly qualified was. As a teacher for 35 years, when highly qualified came into play, it was left up to Washoe County to define highly qualified. At that point in time, highly qualified meant that you had met certain standards in order to teach at the at-risk or impoverished schools. It was dissected and bisected and trisected more down to the level of local control. They let the locals determine what they needed as a highly qualified teacher. You should have one standard definition for all the things.

One of the things that took place is that we had boards and commissions setting standards for students and for teachers. In 2007, my friend was going to have to relinquish her teaching license to the state. She was a highly qualified teacher at that time, but the highly qualified definition had changed to passing the Praxis test. I still think it is incumbent on the State of Nevada to investigate the Praxis company for fraud and for damages because of what they did by having a separated test—knowledge on one side, which teachers were passing right and left for a secondary education license. The second part of the test is where the Praxis testing company made money. My friend failed this by two to six points. After 12 attempts, she was to relinquish her license. On the thirteenth attempt two weeks later, after I suggested investigating and suing the Praxis company, she miraculously was able to pass the Praxis test by 45 points, the same section she had failed by 2 to 6 points. It turned out that the president of the Praxis company was sitting in the back of the room when I suggested to the board that the company be investigated. I never said her name but said that she had failed 12 times. Please keep Nevada under the control of your legislative body and under the control of an elected board, such as the State Board of Education, and no other body.

**Chair Woodbury:**

Is there anyone else who would like to testify as neutral? [There was no one.]  
Are there any closing remarks?

**Patrick Gavin:**

I want to thank this body for your indulgence in this conversation. I appreciate the thoughtful questions and feedback. We think this is a really strong bill. I want to emphasize that Senate Bill 460 deals with the question of how to hold a school that is serving a large alternative population accountable. We have taken pains in working with sponsor of that bill, Senator Harris, Chair of the Senate Committee on Education, to ensure that these elements are aligned. To the degree that we did have a school that was serving an alternative population, they would not be subject to an arbitrary catch-22 situation. We do not want to do that; we want to make sure that we are making thoughtful and judicious decisions. To that end, we have also endeavored to make sure that anything above that "three strikes and you are out" level is discretionary on the part of the Authority or sponsor board so that we can take into account those kinds of nuances. I would submit, however, that in cases where a school has a 27 or a 37 percent graduation rate and is not classified as an alternative school, that is the kind of thing I think we would all agree is not acceptable and that we need to ensure that we are looking very carefully at why that is and if there is some kind of compelling explanation, certainly taking that into account, but also holding any school that is at that level accountable.

**Chair Woodbury:**

I will close the hearing on S.B. 509 (R2). Is there anyone here for public comment?

**Peggy Lear Bowen, Private Citizen, Carson City, Nevada:**

From yesterday's *Reno Gazette-Journal*, this is a letter to the editor that was titled "Tax drama over schools not warranted." It is from David Barrett of Reno.

What is all this hoopla about Nevada's education being among the worst in the nation? Not so, says the "Report Card on American Education, 19th Edition" published by the American Legislative Exchange Council, dated 2014. Have we all been misled? So what is all this drama about raising taxes because Nevada is supposedly among the worst in education in the nation? Nevada is ranked number 12.

In 2011, you all worked very hard to create a better situation than you had found. You gave all sorts of direction. Yesterday during testimony we heard that the Washoe County School District only has one school that is a one-star school left in its entire system. Let the corrections you have made come to fruition in their complexity. If you want to have public charter schools play a more definitive role, please keep them in terms of being embraced by the school districts that want to embrace them to give additional schools with

additional types of opportunities and enhancement. Make it so that they meet all the standards, including teacher standards and graduation standards, so that the credits transfer from one place to another. Do not give away our school buildings when we are in great need.

If I had time today, I would go and check this report. It says we are number 12 in the nation. We are working our darnedest to bring students up to standards. Put faces to them, not just numbers and standards. Use the money you would not use to pay others to do the job for you. Instead of abdicating your responsibility, take it on full force, and put application back into the classrooms, prekindergarten through graduate school. If you are going to be a contract attorney and you see a film or technology on how to draw up a contract and get a lecture on how to draw up a contract, do not expect memory or mastery of that information unless you sit down and write a contract and practice it. Put application back into schools. You have introduction of information, and you expect children to finally comprehend it; the third leg of this stool is application. You have to get your hands dirty. You have to have it and make it yours so that you can meet your dreams.

**Chair Woodbury:**

Is there anyone else here for public comment? [There was no one.] Committee, we will meet again tomorrow. We could have up to four bills, depending on how many are referred tomorrow. I would like to do a work session on the bill we heard today. Is there any further discussion to come before the Committee? [There was none.] We are adjourned [at 5:22 p.m.].

RESPECTFULLY SUBMITTED:

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Joan Waldock  
Committee Secretary

APPROVED BY:

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Assemblywoman Melissa Woodbury, Chair

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

**EXHIBITS**

**Committee Name:** Assembly Committee on Education

**Date:** May 27, 2015

**Time of Meeting:** 3:22 p.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
S.B. 133 (R1)	C	Ruben R. Murillo, Jr., Nevada State Education Association	Letter of support
S.B. 227 (R2)	D	Kristin Rossiter, Committee Policy Analyst	Work session document
S.B. 509 (R2)	E	Patrick Gavin, State Public Charter School Authority	Amendments