

**MINUTES OF THE  
SENATE COMMITTEE ON FINANCE**

**Seventy-Eighth Session  
May 5, 2015**

The Senate Committee on Finance was called to order by Chair Ben Kieckhefer at 6:39 p.m. on Tuesday, May 5, 2015, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4404B of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Ben Kieckhefer, Chair  
Senator Michael Roberson, Vice Chair  
Senator Pete Goicoechea  
Senator Mark A. Lipparelli  
Senator David R. Parks  
Senator Joyce Woodhouse  
Senator Debbie Smith

**STAFF MEMBERS PRESENT:**

Mark Krmpotic, Senate Fiscal Analyst  
Alex Haartz, Principal Deputy Fiscal Analyst  
Julie Waller, Senior Program Analyst  
Lona Domenici, Committee Manager  
Emily Cervi, Committee Assistant  
Jeanne Harrington-Lloyd, Committee Secretary

**OTHERS PRESENT:**

Craig Stevens, Clark County School District  
Dale A.R. Erquiaga, Superintendent of Public Instruction, Department of  
Education  
John Eppolito

**Chair Kieckhefer:**

I will open the work session on Senate Bill (S.B.) 391.

**SENATE BILL 391 (1st Reprint)**: Revises provisions governing educational instruction in the subject of reading. (BDR 34-644)

**Mark Krmpotic (Senate Fiscal Analyst):**

Senate Bill 391 was heard on April 30, 2015. The bill requires the board of trustees at each school district and the governing body of each charter school to prepare a plan to improve the literacy of students enrolled in kindergarten through Grade 3 (K-3). The principal of each elementary school must designate its learning strategist to train and assist teachers in providing intensive instruction to students identified as deficient in reading. Certain teachers are required to complete their related professional development. The bill requires academic interventions for students enrolled in K-3 who do not achieve adequate proficiency in reading. Beginning in the 2019-2020 school year, the bill prohibits a public school from promoting a student to Grade 4 if the student does not achieve such proficiency with certain good cause. Exemptions are allowed and a student may be retained one time in Grade 3.

The principal of the school is required to provide notice and offer additional instructional options to the parents or legal guardian of a student who will be retained in Grade 3. The principal will develop a plan to monitor the progress of the student in achieving reading proficiency and ensure that a retained student receives intensive instructional services in reading, as prescribed by the school district board of trustees or charter school governing body.

Appropriations from the State General Fund to the other State education programs account \$4.9 million in fiscal year (FY) 2016 and \$22.3 million in FY 2017. The bill is effective upon passage and approval for purposes of adopting regulations and performing other preparatory administrative tasks. One program will start on July 1, 2015, for the purpose of providing literacy support to students in K-3. Another program will start on July 1, 2019, for the purpose of retaining students who are not proficient in reading.

The appropriated amounts in the bill are found in section 15, which duplicate the amounts in other State education programs budgets. Fiscal Analysis Division staff recommends that the Committee consider removing the appropriations in

Senate Committee on Finance  
May 5, 2015  
Page 3

section 15 and consider the appropriations in the other State education programs budgets next week when it closes these accounts. Staff does not have any other issues with the bill.

**Chair Kieckhefer:**

I would like to have the appropriations exclusive to the budget that we are going to pass and amend the bill to remove the appropriation.

**Senator Goicoechea:**

I am concerned about obtaining revenue to fund this, although I do agree that children need to be reading by the third grade.

**Chair Kieckhefer:**

This bill and others put obvious requirements onto the districts. The appropriations are there to help them meet those requirements.

SENATOR ROBERSON MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 391 ELIMINATING THE APPROPRIATION IN SECTION 15.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**Chair Kieckhefer:**

We will move to S.B. 405, the Zoom schools bill.

**SENATE BILL 405 (1st Reprint)**: Expands the program of Zoom schools and the provision of programs and services to children who are limited English proficient in certain other schools. (BDR S-887)

**Mr. Krmpotic:**

Senate Bill 405 appropriates from the General Fund to the Account for Programs for Innovation and the Prevention of Remediation, called the Remediation Trust Account, the sum of \$49.950 million during each year of the 2015-2017 biennium to expand the Zoom schools program. Portions of the appropriation are designed for Clark and Washoe County School Districts. The remainder will be available for the State Board of Education (SBE) and

Department of Education (NDE) to fund grants as proposed by the remaining school districts in the State Public Charter School Authority (SPCSA).

The bill funds \$25 million each year of the next biennium for existing Zoom schools. The bill allows additional elementary schools to receive funding and expands the program into a limited number of middle schools and high schools in Clark and Washoe Counties. The bill requires the SBE to prescribe statewide performance levels and outcome indicators for Zoom schools. The bill requires the NDE to contract for an independent evaluation of the effectiveness of Zoom schools. It further requires the SBE to recommend legislation for the 79th Session of the Legislature, defining "long-term limited English proficient." This bill is effective July 1, 2015.

Staff suggests the appropriations of \$49.950 million in each year of the biennium as described in section 1 be removed because they duplicate appropriations that are included in the Remediation Trust Account budget. Next week, the Senate Committee on Finance and the Assembly Committee on Ways and Means, also known as the money committees, will be considering that budget and the dollar amounts included in it, when it considers the kindergarten through Grade 12 (K-12) budgets for the State. In addition, section 1 calls for the distribution of the monies to Clark and Washoe Counties. Staff suggests this portion of the bill also be removed and be addressed in the education funding bill, which funds K-12 education and the money committees pass at the end of the Session.

The uses of the funding in section 1, subsection 4, paragraphs (a) through (g), specifically (e), (f) and (g), provide professional development for teachers, offer recruitment and retention incentives under (f) and (g) and engage and involve parents and families who are limited English proficient. The Committee may consider incorporating a percentage limitation, or cap, as to how much of the appropriations can be used for those purposes. Page 5, subsection 9, allocates a dollar amount for State public charter schools and schools other than Clark and Washoe Counties. Staff recommends removal of subsection 9 from the bill because it is incorporated in the education funding bill. Staff may have suggestions to modify the amount.

The NDE has proposed an amendment to S.B. 405 ([Exhibit C](#)). The proposed amendment modifies subsection 7 of section 1 to allow the school districts use of the money appropriated to carry out "one or more of the following," and not

requiring the districts to provide each of those items. The amendment strikes language that each Zoom middle school, junior high school and high school that receives an allocation of money pursuant to subsection 7 shall offer each of the programs listed. The amendment provides flexibility to Clark County School District (CCSD) and Washoe County School District (WCSD) listed under (a) through (h), as shown on pages 1 and 2 of [Exhibit C](#).

**Chair Kieckhefer:**

Included in your comments, please address a percentage cap on those areas of expenditure for services that are expanded in the bill.

**Julie Waller (Senior Program Analyst):**

Fiscal staff inquired of the NDE regarding the administrative allowance percentages for federal grants, such as Title I of the Elementary and Secondary Education Act (Title I) and Individuals with Disabilities Education Act (IDEA), that provide financial assistance to local educational agencies. I was provided with a range between 1 percent and 5 percent. The 1 percent figure is allowable for administrative purposes on Title I and IDEA funding. Smaller grants are allowed up to 5 percent for administrative purposes. The expansion of the targeted services includes administrative-type services, such as professional development, recruitment and/or family engagement. The Committee may adopt a similar percentage allowance for these types of services offered, to primarily direct funding to classroom services.

**Chair Kieckhefer:**

What did the collected data from the districts indicate when they invested additional dollars on professional development during the past couple of years? How much money was spent?

**Ms. Waller:**

I do not have the written testimony provided by CCSD and WCSD at the last bill hearing on S.B. 405. The Committee was informed that both WCSD and CCSD spent nearly \$100,000 and \$130,000 from their General Funds. Those funds were spent on professional development and family engagement. The WCSD and CCSD also indicated that they both used other funding sources such as their Title I funds to provide additional services.

**Craig Stevens (Clark County School District):**

The written testimony that was provided by CCSD regarding where and how the funds were spent will be provided to you as soon as possible.

**Senator Smith:**

Because this is a new program, I support the cap.

**Chair Kieckhefer:**

The purpose has been for children to be in the classroom for a longer period of time and there is evidence of success. I am willing to contemplate a cap that is stringent.

**Senator Woodhouse:**

I support the cap. We need to provide professional development for teachers, recruitment retention incentives and engage and involve parents and family with limited proficiency in English.

**Ms. Waller:**

We inquired whether there was a minimum requirement of funding that was used for parental involvement and learned that 1 percent of the Title I funds must be used for parental involvement. The professional development percentage increases to 5 percent and is a minimum professional development requirement if all the teachers at the school are not highly qualified. This applies to all school districts that receive grant funds of \$500,000 or more.

**Chair Kieckhefer:**

What was the average amount elementary schools in Clark County received in Zoom school funding?

**Ms. Waller:**

Based on the actual expenditures that were recorded for FY 2014, the average elementary school in Clark County expended \$1.2 million per elementary school. In the WCSD, there are six schools and they were funded approximately \$450,000 per school.

**Mr. Stevens:**

To answer your previous question, we spent approximately \$85,700 for professional development and \$301,000 for family engagement in our

Senate Committee on Finance  
May 5, 2015  
Page 7

Zoom schools. All but \$29,000 was from Title I or Title III of the No Child Left Behind Act funds.

**Chair Kieckhefer:**

What was the amount of funds Clark County received from Title I?

**Ms. Waller:**

The CCSD received \$19.7 million in FY 2014 and \$19.7 million in FY 2015. The WCSD received \$3.7 million in FY 2014 and \$3.7 million in FY 2015.

**Mr. Stevens:**

That is the correct amount.

**Chair Kieckhefer:**

Is this about 2 percent of funds that were spent for professional development and family engagement in the previous biennium?

**Mr. Stevens:**

That is correct.

**Chair Kieckhefer:**

Is that correct, Ms. Waller?

**Ms. Waller:**

I am not sure if the math is correct but the amount only includes two of the three items you are considering for a cap. We need to factor in incentives and recruitment.

**Mr. Krmpotic:**

The math is correct.

**Chair Kieckhefer:**

Schools should currently provide professional development and parental involvement in their core functions.

Do we need any additional discussion on the amendment to S.B. 405, proposed by Dale Erquiaga, the NDE's Superintendent of Public Instruction, where a high school or middle school may not need to provide every service, but allow them to create assorted services to meet the needs of their students?

SENATOR ROBERSON MOVED TO AMEND AND DO PASS AS AMENDED S.B. 405 INCORPORATING THE AMENDMENT PROPOSED BY SUPERINTENDENT ERQUIAGA ELIMINATING THE APPROPRIATIONS AND THE DISBURSEMENTS OF THE APPROPRIATIONS IN SECTION 1, ELIMINATING THE DISBURSEMENT OF APPROPRIATIONS IN SECTION 1, SUBSECTION 9 AND PLACING A CAP ON SERVICES RELATED TO PROFESSIONAL DEVELOPMENT, RECRUITMENT AND RETENTION, AND PARENTAL ENGAGEMENT TO 2 PERCENT OF A SCHOOL'S TOTAL ALLOCATION.

SENATOR SMITH SECONDED THE MOTION.

**Senator Goicoechea:**

I will vote in favor of the measure, but reserve the right to change my vote.

**Senator Lipparelli:**

Did you say the cap would apply to the amended bill to subsection 4, paragraphs (e), (f) and (g) or (e) and (f)?

**Chair Kieckhefer:**

The cap applies to paragraphs (e), (f) and (g). The services described in paragraphs (a), (b), (c) and (d) are services that are currently allowed by law for in the Zoom schools. We are expanding with sections (e), (f) and (g). The components in sections (e), (f) and (g) are capped at 2 percent.

**Senator Lipparelli:**

I am also reviewing Mr. Erquiaga's conceptual amendment, which incorporates paragraph (h).

**Mr. Krmpotic:**

Under section 1, subsection 4 (e), pertains to professional development, (f) to recruitment or retention incentives, and (g) to family and parental engagement. There are similar provisions under subsection 1 for allocations of money for Zoom middle, junior and high schools. Subsection 4 (e) provides for professional development, (f) recruitment or retention incentives and (g) parental and family engagement. The question is whether the Committee will apply the cap to both subsection (4) and subsection (7) of the bill.



**Chair Kieckhefer:**

My understanding is the cap is related to both sections. The 2 percent cap would apply to paragraphs (e), (f) and (g) in both sections.

**Senator Lipparelli:**

Not paragraph (h)?

**Chair Kieckhefer:**

Other evidence-based programs appropriate for middle or high school students were not incorporated in (a), (b), (c) or (d). This gives them the opportunity to try.

**Ms. Waller:**

The allowable uses of the funding for the non-Zoom school districts in the rural communities also include a professional development component. The language in S.B. 405, which is different from S.B. 504, is the ability to allow the funding to include incentives. Do you wish to have a cap placed on these services for all school districts and charter schools or the Zoom elementary, middle and high schools?

**SENATE BILL 504 (1st Reprint)**: Amends provisions relating to a safe and respectful learning environment in public schools. (BDR 34-1201)

**Chair Kieckhefer:**

Is the Committee comfortable placing the cap on those services for all districts and charter schools?

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**Chair Kieckhefer:**

We will move to S.B. 432.

**SENATE BILL 432 (1st Reprint)**: Makes an appropriation to be distributed to certain public schools designated as Victory schools. (BDR S-1187)

**Mr. Krmpotic:**

Senate Bill 432 relates to Victory schools and is one of Governor Sandoval's major budget initiatives. This bill appropriates monies from the State General Fund to the account and the programs for Innovation and Prevention of Remediation. The Remediation Trust Fund is where \$24.85 million in FY 2016 and \$25 million in FY 2017 is designated for annual distribution to public schools called Victory schools. They have high numbers of students living in poverty and perform low academically.

Designated schools are required to conduct a needs assessment and submit a comprehensive plan for the approval by the NDE. This bill requires the principal of a Victory school to include a description of how the money is distributed to the school and is used to meet the needs of the students at the school. This bill also requires the board of trustees in each Victory school district and the governing body of each charter school, which is designated as a Victory school, to submit a report concerning the programs and services provided, using the money distributed to the school. The instructional programs and services that are provided by a Victory school are outlined. It requires NDE to contract with an independent auditor to evaluate the effectiveness of programs and services provided pursuant to this bill. The SBE requires a Victory school demonstrating unsatisfactory school achievement and performance to take corrective action. Funding will be withheld if unsatisfactory pupil achievement and school performance continues.

The Legislative Committee on Education, an interim committee, shall consider the Victory school reports and evaluations of the independent auditor and advise the SBE regarding any action the Committee determines appropriate. The Committee shall make appropriate recommendations concerning Victory schools to the next regular Session of the Legislature.

As with the previous two bills, the appropriations included in this bill are also duplicate appropriations recommended by the Governor in section 2 of the Remediation Trust Account. Staff recommends removal of appropriations included in section 2. Section 2, subsection 4 currently reads that the NDE "shall transfer money from the Account for Programs for Innovation and the Prevention of Remediation to each Victory school on a per pupil basis."

The amount distributed per pupil must be determined by dividing the Legislative appropriation by the total number of pupils who are enrolled in Victory schools

statewide. Staff would note that the NDE does not currently distribute money directly to schools, but to school districts. Staff suggests an amendment to the language of that subsection. The suggested wording would be, "The Department shall transfer money from the account for Programs for Innovation and the Prevention of Remediation to each school, or State public charter or State public school authority, for which a public school has been identified for distribution to each Victory school."

Section 2, subsection 8, paragraphs (e) and (f), provides for the use of the funds for professional development, recruitment and retention of highly effective teachers. The Committee may consider a cap on the amount of money that provides for those purposes. Subsection 13 currently reads that the NDE shall use money appropriated pursuant to subsection 1 to contract with an independent auditor to evaluate the effectiveness of programs and services provided pursuant to this section. It may be more appropriate for the NDE to contract with an independent evaluator to evaluate the effectiveness of the programs, rather than an auditor.

Under subsection 14, as it currently reads, the SBE shall require a Victory school to take corrective action if pupil achievement and school performance at the school are unsatisfactory, as determined by the SBE. If unsatisfactory pupil achievement and school performance continue, the SBE may direct the NDE to withhold any additional money that would otherwise be distributed to this section. It is unclear how this money will be used if withheld by the NDE under subsection 14.

**Ms. Waller:**

Mr. Krmpotic identified issues perceived in the bill as currently written. He may have meant to indicate that the proposed amended language be the NDE shall transfer money from the account for Programs for Innovation and the Prevention of Remediation, to each school district and SPCSA, for distribution to schools identified as Victory schools on a per-pupil basis.

The identified targeted services in subsection 8, which initially mirrored the services outlined for Zoom schools, do not include the reading centers. There is a narrative in the Executive Budget related to the Read By Three Program. Funding for that program targets reading literacy where reading centers are not provided by Zoom or Victory schools.

**Mr. Krmpotic:**

An amendment was proposed by Mr. Erquiaga ([Exhibit D](#)). This amends subsection 6 (c) of section 2 of S.B. 432. It now reads, "Include a description of the manner in which the school district or governing body will collaborate with other entities that offer programs and services in the community, so that those programs and services may be offered without charge to support pupils and their families within the region in which the school is located."

**Chair Kieckhefer:**

Mr. Erquiaga, in reference to [Exhibit D](#), was the omission of reading centers intentional or in error?

**Dale A.R. Erquiaga (Superintendent of Public Instruction, Department of Education):**

The omission was not intentional. We crafted a list that leaves as much latitude to the Zoom and Victory schools, as described on page 1 of [Exhibit D](#). Reading may or may not be an issue at these schools. This is a new program and the list are choices the schools have. The location of these schools is different from each other. We deliberately left room for local identification with the community and what the student challenges are. This is an evidence-based program.

**Senator Woodhouse:**

The list should be flexible. As part of the Education Committee, we knew it was inadvertently left off. The reading centers were considered as one of the items on the list. We want the schools to identify what the needs of their students are. If the reading centers are in the bill, they can address it in that manner. I would hope we add the reading skills center.

**Chair Kieckhefer:**

Would that be appropriate in subsection 8, which outlines the use of the majority of the money? Mr. Erquiaga, was your amendment relevant to the discussion we had during testimony on the bill last week?

**Mr. Erquiaga:**

Yes.

**Chair Kieckhefer:**

This is for clarification.

**Mr. Erquiaga:**

My thought was the funds would revert. We can redistribute the funds to the schools if the Committee chooses to.

**Chair Kieckhefer:**

Do unspent allocations revert back to their source of origin, Ms. Waller?

**Ms. Waller:**

The SBE may require taking a corrective action plan. In the second year, funds are redistributed. In the first year, the bill requires the funding rolled over to the second year and it would not revert. The funds are redistributed according to the Legislative appropriation. At the end of the second year of the biennium, it would revert to the General Fund.

**Chair Kieckhefer:**

Mr. Erquiaga, do you have the number of total students who are served?

**Mr. Erquiaga:**

No, I do not.

**Chair Kieckhefer:**

Is the allocation on a per-pupil basis to each of these schools?

**Mr. Erquiaga:**

Yes, that is correct.

**Ms. Waller:**

Mr. Krmpotic mentioned subsection 8, where paragraphs (e), professional development, and (f), provide programs to recruit and retain highly effective teachers. Under subsection 9, paragraph (b) is the family engagement program. These items are a consideration for a potential cap for this Legislation. In addition, the language in subsection 13 indicates the Department shall use money appropriated to subsection 1, which will be taken from the bill.

The Subcommittees and the NDE's budget have approved funding to contract with an independent evaluator. The language should be modified not to use pass-through funding for the contract of the independent evaluator.

**Senator Lipparelli:**

In the Senate Committee on Education, we discussed the policy in sections 8 and 9. We moved the bill where sections 8 and 9 were completely flexible for the schools and the superintendent. The programs requiring 50 percent, or the majority of the funding, must be used for sections (a) through (f). This would leave flexibility in section 9, to determine the other services.

**Chair Kieckhefer:**

We may want to only consider the Victory schools at this point. This is a new program targeting a new demographic where a child needs to be thought of differently. Zoom schools currently have a record of accomplishment and success.

**Senator Lipparelli:**

Academic rigor is important, but academic rigor alone is not one of the primary challenges in many of these schools. The elements in section 2, subsection 9 become critical to the improvement plans for these schools.

**Chair Kieckhefer:**

Mr. Krmpotic, the bill is active upon passage and approval. Is this for a different effective date?

**Mr. Krmpotic:**

Yes, given the requirement under section 2, subsection 3, which indicates the NDE will designate each Victory school for FY 2016 on or before June 1, 2015. Under section 2, subsection 6, on or before August 15, 2015, the board of trustees of each school district in which a Victory school is designated shall submit to the Department a comprehensive plan for meeting the educational needs of pupils enrolled in each Victory school. Given those provisions, the passage and approval of provisions in the bills is appropriate. If the Committee decides to pull the appropriations from the bill, the appropriations would become effective July 1, 2015.

SENATOR WOODHOUSE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 432 TO REMOVE THE APPROPRIATIONS IN SECTION 2; TO AMEND SECTION 2, SUBSECTION 4, REGARDING THE ALLOCATION OF THE FUNDS AS READ BY FISCAL STAFF; TO AMEND SECTION 2, SUBSECTION 13 TO REQUIRE THE CONTRACT WITH AN INDEPENDENT EVALUATOR RATHER THAN AN AUDITOR TO EVALUATE THE

EFFECTIVENESS OF THE PROGRAMS AND USE MONEY DESIGNATED FOR THAT PURPOSE RATHER THAN USING PASS-THROUGH FUNDS; INCLUDE SECTION 2, SUBSECTION 8 A NEW PARAGRAPH INCLUDING THE READING SKILLS CENTER AS A USE FOR THE MAJORITY OF THE FUNDS.

**Ms. Waller:**

The other item is a specified percentage to allocate for the primary purposes in section 8 or section 9, if it is a 50-50 split, a different percentage or a percentage is not in this bill.

**Chair Kieckhefer:**

Would you like to make a correction?

**Senator Lipparelli:**

No, we decided not to implement a full compulsory distribution of percentages, and move to a requirement that 50 plus 1, or the majority, be related to the academic rigor elements. In some cases, that school might use up to 90 percent of the allocated funds and 10 percent for section 9. In other cases, it may be a 50-50 split. The program that is presented to the Superintendent for his approval dictates the ranges.

SENATOR ROBERSON SECONDED THE MOTION.

MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

**Chair Kieckhefer:**

We will now move to S.B. 474.

**SENATE BILL 474 (1st Reprint)**: Creates the Great Teaching and Leading Fund.  
(BDR 34-1183)

**Mr. Krmpotic:**

Senate Bill 474 was last heard on April 30. This bill creates the Great Teaching and Leading Fund in the State General Fund, to be administered by the Nevada Superintendent of Public Instruction. The SBE must annually prescribe program priorities for which grants may be awarded from the Fund. Certain

public and private organizations are authorized to submit a grant application in response to the stated priorities: Grants must be used to provide professional development; preparation and peer assistance and review for teachers, administrators and other licensed educational personnel; leadership training and development; and programs to recruit, select and retain effective teachers and principals. This bill also requires the Superintendent, dependent on funding availability, to contract for an independent evaluation of the effectiveness of the grants made from the fund. This bill is effective upon passage and approval.

Appropriations are not included in S.B. 474. The appropriations to implement this initiative are included in the budget. Subsection 10 of section 1 states an entity that receives a grant of money from the Fund shall provide a report to the Superintendent in a form prescribed by the Superintendent. The Committee may decide to incorporate a timeline.

**Ms. Waller:**

For clarification, S.B. 474 would allow this funding not to revert to the State General Fund; currently the funding for the regional professional development programs (RPDP) does revert at the end of the biennium. Subsection 1 of section 1 indicates the Superintendent will administer the Great Teaching and Leading Fund. In subsection 6 (c), the SBE prescribes a form to submit applications, assign a committee to review the applications and award the grants. Those types of duties are administered by the NDE.

The wording is vague and indicates a committee, but does not indicate the number of committee members. Section 1, subsection 6(c), indicates grants may be awarded for up to 5 years. It is unclear if the grantees would be required to report at any time during that 5-year period, or if at the end of the 5-year period they are required to provide a report to the Legislature or the Committee on Education.

**Mr. Erquiaga:**

Senate Bill 474 was amended at the request of a third party, not the SBE or the Superintendent. The language is vague because of the way the amendment was presented.

**Chair Kieckhefer:**

Is the intent for the SBE to set priorities and other responsibilities outlined in this program?



**Mr. Erquiaga:**

The original intent for the program was for the SBE to set priorities as is appropriate for the SBE. If the SBE is policy making, then it has charge of public education in this State and in the original bill, they set the priorities. In the Senate Committee on Education testimony, an amendment was proposed to have the SBE allocate the funding. It would not be the Superintendent making those decisions. The Education Committee agreed.

**Chair Kieckhefer:**

It would be more appropriate if the Superintendent were prescribing the form. Allocating the funds, setting the priorities and making the final decisions are based on the Committee's recommendation. The Superintendent's recommendations are appropriate for the SBE.

**Mr. Erquiaga:**

The Superintendent should administer the funds, prescribe the form and appoint the evaluation committee, which makes recommendations to the SBE, who has the final decision making. Our Department uses evaluation committees for all grants that we distribute for federal purposes. We build committees that are part Department and are part district. They often consist of a member of the SBE and/or a parent.

**Chair Kieckhefer:**

Will the SBE include representatives from the teaching profession on these committees?

**Mr. Erquiaga:**

Yes, teachers will be included. At the last testimony, you heard from a small rural district concerned about allocation of funding. It is not our intent to move money away from the small rural districts, as they are served by the RPDPs. Our intention is to include charter schools in the professional development activity. The conceptual amendment ([Exhibit E](#)) was for your legal staff. We use the same maintenance requirements that are under federal law.

**Ms. Waller:**

Mr. Erquiaga, should there be language for the various uses of the funding?

**Mr. Erquiaga:**

This funding is meant to be flexible because challenges change. Priorities change and the receiving entities could change. The language should indicate funding to go to more than one entity and the year of disbursement.

Timelines were an oversight and not addressed in this bill. The language in section 1, subsection 6 could tie to the Superintendent's reporting requirement in subsection 10. The timeline would indicate that either annually or within 120 days, upon the conclusion of the program, a report be submitted.

**Mr. Krmpotic:**

When the bill was heard, a couple of other amendments were proposed. One from the Nevada State Education Association requesting paraprofessionals is included. The other from Storey County School District, requests section 6 be amended to include subsection (d). It requires a formula for guaranteed professional development per school district with a total enrollment of less than 15,000 students.

**Chair Kieckhefer:**

Would the proposed amendment from Storey County School District be addressed by Mr. Erquiaga's amendment, by putting in hold harmless language?

**Mr. Erquiaga:**

In my view, we are getting at the same issue, where the focus is on small rural counties and the training program.

**Senator Woodhouse:**

During the last interim, the Legislative Committee on Education had professional development come before us and we were unable to resolve the issue. The main issue was what the professional development structure should be across the State of Nevada, looking at the role of the RPDP and the role of the school districts as they deliver professional development and address the needs of the charter schools. The issue was not resolved and we put in Senate Concurrent Resolution 1, which calls for an interim study. Professional development is important, especially with the Nevada Academic Content Standards facing our teachers and administrators, as well as acquiring appropriate teachers involved in science, technology, engineering and mathematics education. This bill does not address the professional development structure issue. I will vote against it.

**SENATE CONCURRENT RESOLUTION 1:** Directs the Legislative Commission to create an interim study concerning the professional development of teachers and administrators. (BDR R-406)

**Chair Kieckhefer:**

Thank you Senator Woodhouse for your explanation. My concern is when the Committee looks at this in the interim a consensus will not be reached. My concern is that a consensus will not be reached in the following interim either. That would leave us 3 years further down the road without a consensus, but I understand your position on this topic.

**Senator Smith:**

The Interim Committee does not focus on one topic. That is the case with professional development. I suggest considering an interim study.

**Chair Kieckhefer:**

Professional development has been a focus in this Session. I feel comfortable moving forward with the bill, as well as understanding what is in the budget. The existing structure remains for the first year of the biennium. There is a significant new investment of money into professional development and pipeline development.

SENATOR ROBERSON MOVED TO AMEND AND DO PASS AS AMENDED S.B. 474 WITH THE AMENDMENT PROPOSED BY SUPERINTENDENT ERQUIAGA; THE TIMELINE FOR REPORTING LANGUAGE SUGGESTED BY THE SUPERINTENDENT INCLUDING AN ANNUAL REPORT FOR A MULTI-YEAR GRANT AND 120 DAYS FOLLOWING THE EXPIRATION OF THE SINGLE YEAR GRANT; AND ENSURING THE LANGUAGE GIVES THE SUPERINTENDENT RESPONSIBILITY TO PRESCRIBE THE FORM, ASSIGN THE COMMITTEE AND MAKE RECOMMENDATIONS TO THE SBE, WITH THE SBE RETAINING AUTHORITY FOR ALLOCATION OF THE MONEY.

SENATOR LIPPARELLI SECONDED THE MOTION.

**Senator Lipparelli:**

The question was raised as to the concern of the way the bill is constructed. It is possible, short of the limitations provided for the grants and gifts, that the money could be used for one of the grant applicants. Is there a desire to put

restrictions as to the amount of funds allocated to one entity, such as 25 percent?

**Mr. Erquiaga:**

Restrictions work and because it operates with the maintenance of effort (MOE), it will not harm the RPDP, but ensures the money be allocated to a number of entities. A restriction of 25 percent is a reasonable suggestion.

**Chair Kieckhefer:**

We currently appropriate \$7.6 million annually for the RPDP. In the second year of the biennium, \$6.6 million will be moved into the new fund. Add on \$4.9 million, which adds up to \$11.5 million. If 25 percent went to pipeline development, it is still more than what is currently available for other professional development.

**Ms. Waller:**

Would Mr. Erquiaga provide an example of MOE? How does this work with RPDP funding? They receive their existing budget of about \$7.6 million are allocated to the three RPDPs in the second year. Are you proposing they not transfer \$6.6 million out of RPDP budget into the Great Teaching and Leading Fund, but apply for the additional \$4.9 million and maintain their existing budget as it is in FY 2016?

**Mr. Erquiaga:**

My initial intent to the amendment was the transfer would still be made, but it would reallocate based on the current level they receive. For example, if the RPDPs have a \$7.6 million budget, each RPDP would get a portion of that money and \$1 million dollars of it would be left in the budget. On top of their portion of the \$7.6 million, the RPDPs would receive the same allocation they usually get based on Board's priorities for the programs they put forth. They would not lose any money.

**Ms. Waller:**

The bill indicates RPDPs are required to abide by the priorities set by the SBE, which is in the language of the bill. If they are required to maintain the MOE, they could maintain their budget as is. The language in the bill would require the Superintendent to consider the priorities of the districts and follow the SBE priorities. With this amendment, would there be a reason to move the funding or leave it as is and follow or consider the priorities of the SBE?

**Mr. Erquiaga:**

I will discuss this with my staff before the budget closing. That item is not part of this bill. This is a policy bill about investing more in our pipeline and in professional development and having the SBE involved in that. The allocation of monies is a budgetary decision and I would like time to review the terms.

**Chair Kieckhefer:**

The MOE wording in the amendment in [Exhibit E](#) says, "The purpose is to ensure the RPDPs are not adversely impacted by change of funding source. Particularly, in order to protect small rural districts." My understanding was the MOE language related to the amount of professional development resources that were available to the school district rather than RPDP itself.

**Mr. Erquiaga:**

My understanding of the amendment was to indicate the RPDP would continue to receive the monies they are receiving in this fiscal year. They would do so under a set of priorities and rules set by the SBE. The districts today do not receive monies from the SBE.

**Chair Kieckhefer:**

I stand corrected in my understanding. Whether the budgetary transfer is necessary can be decided later.

**Senator Lipparelli:**

A suggested modification to the motion would be, "excepting gifts and grants to the 25 percent limit. The 25 percent limit would only apply to the State monies." Gifts and grants have terms and conditions.

SENATOR ROBERSON MOVED TO AMEND HIS MOTION WITH THE LANGUAGE IN [EXHIBIT E](#) TO INCLUDE EXCEPTING GIFTS AND GRANTS TO THE 25 PERCENT LIMIT. THE 25 PERCENT LIMIT WOULD ONLY APPLY TO THE STATE MONIES.

THE MOTION CARRIED. (SENATORS PARKS, SMITH AND WOODHOUSE VOTED NO.)

\* \* \* \* \*

I will close the work session and open it up to public comment.

**John Eppolito:**

I am a former K-12 teacher and I have 4 children in the schools. I spend too much time in these meetings. I see more money and power going to the NDE to professional development and to evaluate and punish teachers. This is because of experimental standards, while at the same time we are unable to hire and retain teachers in Clark County. This may get worse according to National Public Radio. It would make more sense to give the NDE less money and less power and spend those dollars to engage and listen to what the teachers have to say. The teachers have the solutions. I have seen in meetings teachers who are punished and minimized. Clark County is worse than Washoe County.

I attended a meeting and Senator Woodhouse was there. After my comments, a physics teacher from Douglas High School, with a Ph.D. talked to me. He stated that this year he removed his sixth grade son from school because of common core. His fifth grade son has come home from school crying after his tests more than once. This is because of the Smarter Balance Assessment Consortium (SBAC) exam. The physics teacher has not removed his fifth grade son at this time, but probably will if something is not done soon. I asked him about the teachers at his school and he commented that most of them are afraid to speak up.

Last year, at Incline Elementary School, we lost 10 percent to 15 percent of our best teachers, partly because of common core. Tomorrow, there will be a decline option of SBAC testing bill coming up again in S.B. 75. The chair said she would rather kill the bill than allow a decline of an SBAC addendum. This is wrong and the parents will eventually win. How long will it take for the Legislators to do something to correct this problem and how many children will be harmed?

**SENATE BILL 75 (1st Reprint)**: Revises provisions governing the administration of certain examinations. (BDR 34-472)

Dr. James Milgram, professor emeritus of mathematics at Stanford University and a well-respected K-12 standards expert in math curriculum, was on the common core feedback committee and the common core validation committee. Dr. Milgram visited 20 states discussing common core. He was never treated as poorly as he was here, in Nevada, by the NDE. Dr. Milgram's research shows that after years of common core math, most of these children cannot be repaired. Someone in the Legislature needs to do something quickly. I cannot do

Senate Committee on Finance  
May 5, 2015  
Page 23

this alone. I can do this alone but, it will take a long time and eventually I will win.

Remainder of page intentionally left blank; signature page to follow.

Senate Committee on Finance  
May 5, 2015  
Page 24

**Chair Kieckhefer:**

Seeing no further requests for public comment, this meeting stands adjourned at 8:05 p.m.

RESPECTFULLY SUBMITTED:

---

Jeanne Harrington-Lloyd,  
Committee Secretary

APPROVED BY:

---

Senator Ben Kieckhefer, Chair

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



EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	2		Attendance Roster
S.B. 405	C	2	Dale A.R. Erquiaga	Proposed Amendment
S.B. 432	D	1	Dale A.R. Erquiaga	Proposed Amendment
S.B. 474	E	1	Dale A.R. Eruiaga	Conceptual Amendment